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Botha, in Europe, Stresses Peace Policy

LISBON — Prime Minister P.W. Botha of South Africa, in a clear reference to Cuban troops in Angola, urged Tuesday the removal of foreign influences from southern Africa, saying that they blocked peace and independence for South-West Africa, also known as Namibia.

He said his recent peace negotiations with neighboring countries showed the peoples of southern Africa wanted "peace, progress and stability."

Speaking on the first day of a European tour, Mr. Botha said, "Our resolve must be not to allow outside forces to make a battlefield of our subcontinent."

South Africa, which rules South-West Africa in defiance of the

United Nations, has said it will not withdraw from the territory until Cuban troops leave Angola. But Angola says the troops are in Angola to protect it from South African incursions and guerrilla activity.

Mr. Botha thanked the Portuguese government for its help in bringing about its peace treaty in March with Mozambique.

Prime Minister Mario Soares told Mr. Botha he believed development in southern Africa would follow Namibian independence and despite ideological differences there were possibilities for cooperation between the two countries.

Mr. Botha leaves Portugal on Thursday. Details of his visits to Switzerland, Belgium, Britain, West Germany and France have

not been released because of security fears and to discourage demonstrations.

■ **Visit Seen as Bid for Approval**
Alan Cowell of The New York Times reported from Johannesburg:

Mr. Botha has indicated that he hopes through his visits to win some recognition for recent moves he has made to establish peace with South Africa's black-governed neighbors and to introduce nominal reforms at home.

It is the first official visit to Western Europe by a South African prime minister in 20 years and the most comprehensive since the National Party, which represents the Afrikaners, the country's dominant white group, came to power 36 years ago.

In mid-February, South Africa and Angola signed an agreement committing the Angolans to curb the activities of South-West African insurgents, in return for a withdrawal of South African forces in their country.

On March 16, Mr. Botha signed an accord with President Samora Machel of Mozambique obliging the Mozambican leader to withhold military support for the African National Congress, the most prominent of the exiled groups fighting apartheid. In return, South Africa agreed to stop backing anti-Machel guerrillas in Mozambique. The European tour is depicted by some South African commentators as a kind of endorsement of these moves, although it is widely acknowledged that, alone, they do not satisfy outside demands that South Africa grant its black majority a meaningful political role.

South African officials have given few details on the likely contents of Mr. Botha's discussions with European leaders, among them Prime Minister Margaret Thatcher of Britain and Chancellor Helmut Kohl of West Germany. Both these nations have been involved in protracted efforts to achieve a settlement of the war in South-West Africa.

France has not agreed to receive Mr. Botha officially. He will, however, lay the foundation stone at a cemetery in Picardy commemorating South African war dead. A French junior minister is to attend the ceremony.

■ **UN Unit Attacks Botha Hosts**

The UN Special Committee Against Apartheid on Tuesday accused West European governments of open collaboration with South Africa for inviting Prime Minister Botha to visit their countries. United Press International reported from the United Nations in New York on Tuesday.

It also warned them against supplying arms to South Africa and, in a statement, urged the public in the host countries to "take appropriate action to demonstrate its abhorrence of the Botha regime."



AMERICA'S TRIBUTE — The casket of the Unknown Soldier of the Vietnam War as it was carried into the amphitheater at Arlington National Cemetery in Washington for a Memorial Day ceremony. President Ronald Reagan bestowed the Medal of Honor on the Unknown Soldier before the burial service took place on Monday. Page 3.

U.S. Sends Missiles, Refueling Plane to Saudis

By Don Oberdorfer

WASHINGTON — The Reagan administration confirmed Tuesday that it was providing 400 Stinger anti-aircraft missiles and inflight refueling capability to Saudi Arabia because of "escalation" in the Gulf war.

The missiles have been flown to Saudi Arabia and are being turned over immediately to Saudi forces, the State Department said.

It said President Ronald Reagan signed an order Tuesday exercising his emergency powers to supply the shoulder-fired missiles without submitting the sale for congressional approval.

A U.S. training team is on the ground to instruct the Saudi military in the use of the heat-seeking missiles, the State Department said.

A U.S. Air Force KC-10 airborne tanker has been assigned to meet the Saudi request for inflight refueling to extend the range of its F-15 jet fighters, the announcement said.

U.S. military personnel will operate the tanker, Alan Romberg, a department spokesman, said. He said that the administration did not plan to report the assignment of the airborne tanker to Congress under the War Powers Act.

The law allows the president to waive a rule requiring 30 days for Congress to consider such sales if he considers such a move a matter of national security.

While the shipment had been expected since the middle of last week, the numbers of missiles and launchers were doubled at the last minute after U.S. evaluation of defense requirements for installations in eastern Saudi Arabia, officials said.

Meanwhile, the UN Security Council was expected to continue debate on Tuesday on a drive by Saudi Arabia and other Arab Gulf states to condemn Iran for attacks on neutral ships.

State Department officials said the U.S. speech would make clear that Washington supports Arab opposition to Iran's threats on noncombatant shipping outside the war-danger zones in the Gulf previously declared by Iraq and Iran.

[At the United Nations, Bahrain's foreign minister, Sheikh Mohammed bin Mubarak al-Khalifa, called Monday for new efforts to end the war. He said "some influential states are still calling at a distance for a stop to this war, without taking serious steps to halt it." Reuters reported.]

The Reagan administration is re-evaluating its decision about how to vote on the Arabs' UN resolution until the authors agree on its final form, officials said.

The United States is expected to support the Arab position, which may be amended in the next day or two to make it less one-sided against Iran.

In the ground war, administration sources said that a further buildup of Iranian forces along the line of confrontation with Iraq has been noted in the past few weeks.

But they said that U.S. intelligence has obtained no clear-cut indication that a major attack is imminent.

Foreign Minister Muhammad (Continued on Page 2, Col. 6)

Debt Rescheduling: For Third World Day of Judgment Is Only Postponed

This is the second of two articles on the world debt crisis.

By Carl Gewirtz

International Herald Tribune

PARIS — The huge reschedulings of Third World debt since 1982 achieved the primary goal of preventing a rupture in payments from setting off an international banking crisis. But those rescue packages only postponed the debtors' burden — they did nothing to solve the problem.

With interest rates now rising, adding heavily to the debt burden at least two years before officials thought it would, policy-makers are beginning to deal with the fundamental problem that the debt is simply too big for the developing countries to repay.

"Simple rescheduling alone will not provide permanent financial relief," said Edward Neufeld, chief economist of Royal Bank of Canada, "they are only giving some breathing space by putting off the problems into 1985 and beyond."

As Mr. Neufeld wrote in a report for the Institute for International Finance, which was created recently by the major international banks to share and analyze data about the debt situation, "Relief must involve the transformation" of existing debt into equity.

This could involve, for example, exchanging Mexican loans into shares in Pemex, the state petroleum company. An alternative to this, he said, would be permanent reduction in the debt servicing burden of existing loans through easier terms, and write-offs by creditors.

A few figures from his report tell the story.

In 1982, when the debt crisis first emerged, the major debtor countries were scheduled to pay \$65.5 billion in interest and principal payments to banks — an amount equal to a crippling 45 percent of their exports of goods and services. By 1983, the reschedulings reduced

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this debt-service ratio to a more manageable 22 percent.

But by 1988, Mr. Neufeld estimated, the maturing of the rescheduled debt and the medium-term debt contracted before the crisis will lift the debt service payments to \$91.7 billion and boost the debt-service ratio back up to 44 percent.

Mr. Neufeld's calculations are based on the relatively optimistic assumptions that annual economic growth in the industrialized countries, adjusted for inflation, will be 2.7 percent; that developing countries will have annual export growth of 9.3 percent; and, most critically, that falling interest rates will put the base lending rate (the London interbank offered rate for six-month Eurodollars) down to 7 1/2 percent by 1987.

So far this year, the base lending rate, or Libor, which had been expected to be dropping during the early stages of the business recovery in the United States, has risen about 2 1/2 percentage points to 12 1/2 percent from the January low of 9 3/4 percent. Each percentage-point increase adds about \$4 bil-

lion to the gross debt payments of developing countries, the International Monetary Fund estimates.

The figures that predict this coming crisis are not new. What is new is the growing willingness of commercial banks, which hold an estimated \$412 billion of the \$768 billion owed by developing countries, to discuss the need to do more to contribute to a solution to the problem, rather than just postpone the crisis.

Government officials in the industrialized countries are also becoming increasingly aware that the handling of the issue as a financial problem — such as the imposition of austerity measures by the International Monetary Fund — risks losing sight of the political ramifications and the threat to social stability, particularly in Latin America.

Officials of governments allied with the United States have recently expressed relief at indications that the State Department is now taking a greater interest in the debt question. To these officials, such concern raises hopes that the narrow perspective the Treasury Department has imposed will soon be modified, if not supplanted.

But it is still uncertain if the search for solutions will produce specific measures to ease the debt burden of the developing countries. There appear to be two critical constraints. The first is that whatever relief is applied must not be automatic — applied across the board to all borrowers — but selected.

(Continued on Page 5, Col. 1)

Compromise Is Rejected By IG Metall

The Associated Press

FRANKFURT — Negotiations to resolve the West German metal industry dispute over a 35-hour workweek collapsed Tuesday after the union rejected an employers' offer for a 38-hour week for shift workers.

Ernst Eisenmann, Stuttgart regional chief of the IG Metall union, announced that the third round of talks in Ludwigsburg had failed to settle the dispute.

He called the employers' compromise offer, which would affect 14 to 15 percent of the union membership, "unsuitable" and said it would not reduce unemployment. "There was no possibility to reach agreement over a standard workweek of less than 40 hours and more than 35 hours," Mr. Eisenmann said.

He ruled out resuming the talks this week or next week. Hans-Peter Sühli, chief negotiator for the employers, said his association took a step toward "reaching a solution in the tariff conflict" by offering negotiable wage increases valid until the end of 1985 and an installment plan for cutting work hours for certain groups of workers that would have affected 20 percent of the region's work force.

Mr. Sühli said employers also upheld their offer of early retirement at age 58, which would affect 7 percent of the metal workers. In return, he said, the union was asked to agree to a 40-hour workweek for all other metal workers until 1988.

More than 300,000 metalworkers were idle as Volkswagen joined the automakers closed by the country's biggest labor conflict in six years.

Sixteen metalworking plants in the state of Hesse announced plans to lock out 26,300 workers starting Wednesday.

The regional branch of the trade union federation DGB, which incorporates West Germany's 17 industrial unions and their eight million members, retaliated by calling on 150,000 Hesse unionists to stage solidarity strikes and demonstrations.

The Hesse state constitution describes lockouts as illegal, but the West German federal labor court has previously refused to bar such actions.

The 2.5-million-member IG Metall metal workers union asked a Frankfurt court to hand down an injunction against the lockouts. The court was scheduled to convene Wednesday to rule on the suit.

About 95,000 Volkswagen workers at six plants began a forced vacation early Tuesday which will last through the week, a spokesman in Wolfsburg said.

"We're not getting parts. It's not logistically possible to continue production," the spokesman said.

Figures supplied by the employers' association listed about 320,000 metalworkers affected by strikes, lockouts and layoffs.

GOP Makes O'Neill a Reluctant Star

By T.R. Reid

Washington Post Service

WASHINGTON — They're calling the exclusive TV tapes "Tip's Greatest Hits," and among a select group of viewers, its ratings are running off the chart.

The collection of vignettes from the U.S. House of Representatives floor debates over the last few months consists of scenes in which House Speaker Thomas P. O'Neill Jr., Democrat of Massachusetts, is shown overruling, ignoring, insulting or denouncing assorted Republicans.

Put together by the GOP leadership for private showings to House Republicans, the tape has had an electric effect. Whatever else Mr. O'Neill may achieve in the 98th Congress, he has molded the House Republicans — a farago of conflicting philosophies and clashing ambitions — into a unit held tight by disdain for Tip O'Neill.

From politically paragon Hamilton Fish Jr., a liberal Rockefeller Republican from New York, to rambunctious rightist Newt Gingrich, a Reaganite from Georgia, the 166 members of the majority are "quite firmly united," according to Mr. Fish.

Starting with Minority Leader Robert H. Michel of Illinois, the Republicans have agreed that they should be more combative toward Mr. O'Neill and the Democrats.

That consensus represents a victory for Mr. Gingrich and a group of his junior allies who believe, as Mr. Gingrich puts it, that "we weren't elected by people who want us to try to get along with Tip O'Neill."

The basic Republican complaint is that Mr. O'Neill has taken advantage of his 102-vote Democratic majority to ride roughshod over GOP members and to bury their favorite legislation, including a balanced-budget amendment, school prayer and several crime-control bills.

This week the Republicans will unveil television advertisements which may use TV tapes of Mr. O'Neill in action. Such a move would infuriate House Democrats, who have passed a rule that it is supposed to bar any House incumbent from using the TV tapes in advertisements.

It was Mr. Gingrich and his allied junior Republicans who recognized the potential political power of the national audience watching daily House debates over the Cable-Satellite Public Affairs Network. They began to use the TV stage to carry their frustration against Mr. O'Neill directly to the people.

Some senior Republicans, including Mr. Michel, were plainly uncomfortable with Mr. Gingrich's group. For awhile, it looked as if the GOP was heading toward a major party split between the Gingrich group and the Michel moderates.

Many House Democrats urged Mr. O'Neill not to get in the middle of that fray, but after Mr. Gingrich



Thomas P. O'Neill Jr.

delivered a House speech attacking, among others, the speaker's closest friend, Representative Edward P. Boland, Democrat of Massachusetts, Mr. O'Neill acted.

First he changed a rule to allow the TV cameras to show that almost nobody was present during the daily period when the Republicans deliver some of their most impassioned attacks.

The Republicans were furious. A climactic scene on the "Greatest Hits" tape shows Representative Robert S. Walker of Pennsylvania when he learns in mid-speech that the cameras have begun showing the empty seats. "It is my understanding," he said in shocked tones, "that the cameras are painting the chamber demonstrating

that no one is here in the chamber to listen to the remarks."

To many viewers that was humorous, but the House Republicans found it no laughing matter, particularly since Mr. O'Neill refused to extend the camera-panning to regular legislative sessions where Democrats, too, frequently talk at length to empty chairs.

A week later, Mr. O'Neill exacerbated things by leaving his rostrum to come down into the well of the House for a stinging attack on Mr. Gingrich — an outburst that ended when the House speaker himself was ruled out of order.

Mr. Gingrich left the podium that day to a standing ovation by Republicans.

"I am just not the kind of person who seeks confrontation," explained Mr. Fish later. "But as I watch what has happened this year, I can see that confrontation is effective. Those of us who were not inclined to confrontation have now discovered that pressure, and tough pressure, is the way to get results."

Henry J. Hyde, a conservative Republican of Illinois, thinks it is playing well to the public. "Here you have Tip sitting up there like an emperor on his throne, lord of all he surveys, and there's a mosquito buzzing around his ear," he said. "For all his might and power, he can't get rid of the mosquito, and it's driving him crazy!"

Among other things, Mr. Fish said, the constant Republican speeches before the television cameras on crime control sparked a Democratic promise to move forward with a bail reform bill.



British Miners Clash With Police in Yorkshire

Arthur Scargill, leader of the striking coal miners, approaching police at a coking plant near Sheffield in Yorkshire on Tuesday. There were several clashes as miners tried to prevent trucks from delivering coal. At least 41 policemen and 28 pickets were injured and 82 people arrested.

Bush Condemns Soviet Policies At NATO Meeting

Reuters

WASHINGTON — Vice President George Bush attacked the Soviet Union Tuesday for building up military power, violating human rights and blurring "a trail of adventurism" in the Third World.

Opening a three-day NATO foreign ministers' meeting, Mr. Bush spelled out U.S. disengagement with the 1970s era of East-West détente but reaffirmed the West's readiness for a constructive dialogue with the Kremlin.

Beyond Europe, "the trail of Soviet adventurism — from Asia to Africa to Latin America — poses a threat to the independence and territorial integrity of sovereign states," he said.

At an earlier press conference, the NATO secretary-general, Joseph Luns, said he would oppose extending NATO's defensive area into the Gulf because it could weaken the forces assigned to defend Europe. "The alliance as such will not intervene" in the Gulf, he said.

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TOMORROW

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Mario Lazaga, a witness in the Aquino probe, holding the weapon that killed the Philippines opposition leader. Page 2.

U.S. Ignored Israel in Sending Missiles to Saudis

By Leslie H. Gelb
New York Times Service

WASHINGTON—In recent years, U.S. administrations pondering policy decisions have repeatedly been faced with choosing between Israeli and Saudi concerns.

This time, the Reagan administration took little time to decide to proceed with the urgent shipment of 400 Stinger anti-aircraft missiles to Riyadh. It asserted that the Saudis needed the portable weapons immediately to help defend their shipping and oil fields against possible aerial attacks by Iran.

Israel quickly announced its opposition to the shipments, saying that the missiles could be readily shifted for use against them, and could possibly fall into the hands of terrorists.

In the past, Israel and its U.S. supporters have succeeded in getting the administration to drop or sharply modify proposed arms shipments to the Saudis by just such arguments. But on this occasion, they knew that the administration had them over a barrel. A crisis at hand over oil and the survivability of the Saudi government would take precedence over fears of future hostilities.

Also, the administration was careful to limit its decision to 400 Stingers, a number reasonably applicable to shoreline defense, and not to seek again to ship 1,200 missiles, a number that could have wider applications.

There was little Israel or its congressional backers could do to stop the shipment of the Stingers. The law allows President Ronald Reagan to cite national security and waive a 30-day period for Congress to consider the sale. But left unresolved is the question of the compatibility of U.S. and Israeli interests in the Gulf area.

Essentially, officials said, the argument boils down to this:

The administration believes that Saudi Arabia, as the keystone of the Western position in the Gulf, should get almost whatever arms it requests.

The Israelis counter that the Saudis are a very weak reed for American policy and that if they were to use these arms at all, it would more likely be against Israel than against Iran or an Arab state.

There was always some tension between these views. The first major test came in 1978 when the Carter administration wanted to sell the Saudis more than 50 F-15 fighter-bombers.

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After a good deal of pulling and hauling, it was agreed to sell the F-15s, but without bomb racks and extra fuel tanks that could facilitate their possible use in offensive operations against Israel.

As late as 1979, this was all manageable, since the United States and Israel both supported Iran as the keystone to security and stability in the Gulf. But once the Islamic fundamentalists took control of Iran, first the Carter administration and then the Reagan team shifted the focus of American interests to Saudi Arabia.

Even then, the United States and Israel shared some important common interests in the Gulf region. Neither liked Iraq—Israel because it was a potential major military adversary, and the United States because it was considered a haven for terrorists.

But neither government wanted to lose contact completely with the Tehran government. Iran, with its strategic geographic position and resources, is still the long-term prize of the Gulf. So, as Israel kept the lines open by secret arms sales to Tehran, the administration looked the other way.

This common interest was reinforced when Iraq attacked Iran in September 1980 and appeared on the verge of victory. But as Iran began to turn the tide on the battlefield and to challenge U.S. interests and friends in the area, officials noted, the Reagan administration decided to "tilt" its policy somewhat toward Iraq.

This difference, too, was manageable. Israeli officials readily acknowledged that they were helping Iran to prolong the war and to see the two potential Israeli adversaries drain each other in prolonged conflict. Many administration officials agreed that the U.S. interest in the war was that both sides should lose.

But Israel and the United States began to part company on any Gulf issue touching on Saudi Arabia. That was the major irritant.

From the beginning of the Reagan administration's tenure, leading officials have seen Riyadh as a strategic centerpiece not only in the Middle East as a whole. It was to be the moderate Arab state that, along with Israel, would become the basis of a cooperative Arab-Israeli alliance against the Soviet Union and the middleman in peace negotiations between Arabs and Israel.

To Israeli leaders, this reflected a fundamental misreading of the Saudis. The Saudis, as they saw them, would take no chances anywhere, either for the United States in the Gulf or for peace in the Middle East. The Saudis, the Israelis argued, would always look for another way out, stalling or offering money to potential opponents.

Seen from Israel, if Washington is serious about wanting to keep the Gulf open to shipping, it must be prepared to act itself with Western Europe and not wait for the Saudis. And as the Israelis see it, if Washington wants to keep the friendly house of Fahd in power in Saudi Arabia, Washington must see that selling arms will not do the job.

Attacks Said to Affect Kuwait's Oil Exports

By Judith Miller
New York Times Service

KUWAIT—The air attacks by Iran and Iraq on ships in the Gulf has begun to affect oil exports from Kuwait, the most geographically vulnerable of the Gulf nations, according to oil industry sources in the region.

Kuwaiti officials sought Monday to play down the impact on Kuwait's oil production of Japan's announcement Saturday that it was restricting vessels with Japanese crews from visiting ports in Kuwait and northern Saudi Arabia because of the attacks on neutral vessels. On Sunday, Sweden's major tanker operator, Salen Tanker, and an American-based company, Caltex Petroleum, said they would follow the Japanese example.

Non-Western foreign diplomats and oil industry sources here agreed that Japan's decision was not in itself that harmful to Kuwaiti oil or shipping. They also agreed with Kuwaiti officials that Kuwait's oil-dominated economy had not yet been hurt substantially by the Iran-Iraq war, which started in September 1980. But, they added, the recent intensification of attacks on tankers has lessened confidence in the security of the northern Gulf waters and was beginning to affect Kuwait's oil business.

The industry sources said that Taiwan, which has a 100,000-bar-

rel-per-day contract with Kuwait, had postponed a scheduled loading of crude oil in early June.

Japan's Mitsui Corp. has decided to suspend a contract to pick up two loads of naphtha in June. Mitsui was the charterer of the Chemical Venture, a Liberian-registered tanker attacked late last week by Iran in retaliation for an Iraqi air raid on four tankers near Kharg Island, the Iranian oil terminal.

British Petroleum, the sources said, had also tentatively decided to cancel an oil pickup in late June. And Italy was weighing postponing a naphtha shipment, the sources said.

After the attack on the Chemical Venture, the Lloyd's insurance rates for ships sailing to Kuwait were raised to 1 percent of the cargo value, up from 0.25 percent. This adds about 30 cents to the cost of a barrel of Kuwaiti crude, which has been selling for about \$29 a barrel, industry sources said.

Since Kuwait sells more than half of the 21.5 million tons of the crude oil it exports on the spot market, its sales can be affected by even marginal price changes, oil industry sources asserted.

Sheikh Ali al-Khalifa, Kuwait's oil and finance minister, said in an interview that the Japanese decision would have "no impact whatsoever" on Kuwait's oil exports or on its economy.



A photo taken at the time of the hijacking shows a dead terrorist behind the windshield and Israeli guards around the vehicle. This is not one of the photos published on Tuesday.

Paper Says Arens Saw Hijackers Alive

United Press International

JERUSALEM—An Israeli newspaper charged Tuesday that Defense Minister Moshe Arens saw two Palestinian hijackers being taken off an Israeli bus alive before they were beaten and killed last month by security forces.

The newspaper, Hada'shot, and its photographer, Alex Levak, whose picture of a captured hijack-

er broke open the case, disputed a statement by Mr. Arens that he and other Defense Ministry officials were not in the area when the two hijackers were beaten.

The Defense Ministry announced Monday that a commission of inquiry had determined that two of the four hijackers were captured alive and then killed by security men.

The Israeli censor had prevented the publication of Mr. Levak's pictures since the hijacking April 11. The pictures included a published six-frame sequence showing:

- Wounded taken off the bus.
- Passengers being led away (frames 2, 3 and 4).
- Mr. Arens looking at the bus.
- A captured hijacker alive.

Mr. Levak said that he had shot the six frames in less than a minute while standing next to the defense minister and his party.

"It can't be that they did not see what I saw," Mr. Levak said. The Ma'ariv newspaper also published a picture of the second hijacker being led away.

The night of the hijacking, Mr. Arens went to the Gaza Strip and personally refused the hijackers' demands to exchange the 35 passengers for 500 Palestinian prisoners.

The defense minister, however, said on Israeli television Monday night that he and Chief of Staff Moshe Levy were not at the site when the beating deaths occurred, adding, "If we had known we would not have had to wait for a commission of inquiry in order to investigate these events."

Opposition Party Wins 57 Seats in Egypt's Assembly

United Press International

CAIRO—The rightist New Wafd Party captured 51.1 percent of the national vote and 57 seats in Egypt's parliament, according to complete official results. The outcome raises the likelihood of a viable opposition for the first time since the overthrow of the monarchy 32 years ago.

The interior minister, Hassan Abu Basha, said that President Hosni Mubarak's National Democratic Party won 72.9 percent of the votes Sunday, giving it 391 of the 448 elected seats in the People's Assembly. A further 10 deputies are appointed by the president.

Three other opposition parties failed to gain 8 percent of the vote, which is a legal prerequisite for entering parliament.

Officials said two persons, including a Socialist candidate, were killed during polling, and the body of a Wafd party candidate, who was abducted Sunday, was found Monday. The government said he died of a heart attack.

Opposition parties claimed that there was widespread fraud and intimidation during voting. But Mr. Abu Basha said the violence "took place in 23 polling stations out of a total of 23,000 stations, which is a 0.1 percent." He said, "They were quickly brought under control and did not affect the safety of the election process."

Parties Want Conclusion by Aquino Panel

Philippine Opposition Is Unanimous on Probe

New York Times Service

MANILA—Opposition parties called Tuesday for an early conclusion to the investigation into the assassination last fall of Benigno S. Aquino Jr.

The United Nationalist Democratic Organization, a federation of opposition groupings, unanimously approved a resolution condemning the murder of Mr. Aquino and demanding speedy results from the probe, which is being carried out by a special commission.

"It is the sentiment of the united opposition," said the federation's leader, Salvador H. Laurel, "that the commission not drag its feet on the Aquino probe."

The opposition parties were holding their first meeting since the National Assembly elections May 14, in which they captured a third of the seats from the New Society Movement of President Ferdinand E. Marcos.

It was learned from commission sources that the probe into the Aug. 21, 1983, murder is almost finished and that a report would be issued in the next few months.

The board's chairman, retired Appeals Court Justice Corazón Juliano Agaña, and a panel of lawyers were scheduled to leave Wednesday for Los Angeles to hear Filipino exiles who have volunteered information on an alleged plot against the late opposition leader. Five American newsmen who covered Mr. Aquino's return from the United States will also testify.

The board sat for seven hours Tuesday to hear testimony from the last of Mr. Aquino's five military escorts at the time he was assassinated. Constable Mario Lazaga supported the version of the slaying that was first put forward by General Prospero Olivas, the chief military investigator.

According to the escort, Mr. Aquino was killed by a man disguised as an airport cleaner, who rushed into the secured area at the Manila airport runway, got between the soldiers and shot the opposition leader in the back of the head.

Constable Lazaga claimed not to recall anything that was said on the airplane stairs as Mr. Aquino descended. The fact-finding commission has placed great weight on a conversation in Philippine dialects that was picked up by the microphones of foreign broadcasters covering the arrival. The conversation suggests that an order to shoot Mr. Aquino was given at the stairway a moment before the killing.

164 Winners Proclaimed

The Commission on Elections Tuesday said 164 winners had been proclaimed in the National Assembly vote. 96 from the ruling party, 61 from opposition groups and seven independents, United Press International reported in Manila.

Charges of fraud and terrorism by several candidates delayed final proclamations for 19 other seats while the commission holds hearings on the races.

U.S. Missiles Sent to Saudis

(Continued from Page 1)

Ghazali bin Shafie of Malaysia, which is a member of a mediation committee of Islamic states, said a meeting will be held in Saudi Arabia beginning June 9 to discuss a plan to place neutral troops along the border to halt the fighting.

Washington sources noted that it would take a change of heart in Iran to make such a plan practical and that no such shift is in sight.

Khomeini Warns U.S.

President Ali Khomeini of Iran pledged Tuesday to fight any U.S. military intervention in the Gulf and said Arab states that do not remain neutral risk retaliation. The Associated Press reported from Manama, Bahrain.

"If the Americans are prepared to sink in the depths of the Gulf waters for nothing, thousands of miles away from their country, then let them come," he told Iranian troops at the port town of Bandar Abbas, near the Strait of Hormuz.

"What sort of bullying is this that the ships of a government from thousands of miles away move to the home territory of other nations under the pretext of preserving vital interests?"

He said: "With their faith, motivation and divine power, our people will resist them and will fight."

In his speech, reported by Iran's official Islamic Republic News Agency, he said that Gulf Arab states will be regarded as neutral if they do not provide assistance to President Saddam Hussein of Iraq.

"However, a neighbor that wants to deliver a blow to us is more dangerous than outsiders," he said, "and we should confront that danger."

WORLD BRIEFS

Soviet Sets Terms on N-Weapons Use

MOSCOW (Combined Dispatches)—President Konstantin U. Chernenko pledged in a letter published Tuesday never to use nuclear or chemical weapons against West Germany or any other country as long as they refused to station such weapons on their soil.

Mr. Chernenko made his pledge in a letter to Petra Kelly, a Greens leader, who wrote to the Soviet leader and to the Reagan administration to ask what their conditions would be for not using chemical and nuclear weapons.

"The conditions, as we see it, boil down actually to one: on no account should the Federal Republic of Germany ever become a bridgehead for the preparation and perpetration of aggression against the U.S.S.R. and its Socialist allies with the use of the means of warfare which you mention or other ones. This way your country can be fully assured that nothing threatens it," he said. (AP, UPI)

Managua Attack on Rebels Reported

MANAGUA (AP)—Nicaraguan troops mounted a major attack against CIA-backed rebels last week in northern Nicaragua, killing about 200 insurgents, a military source said Tuesday.

At least 30 government soldiers were killed in the fighting Wednesday and Thursday over a wide area at San José de Bocay, a town in Jinotega province about 110 miles (about 180 kilometers) north of the capital, the source said. He said the battle was the biggest yet with the Nicaraguan Democratic Force, a Honduran-based rebel group.

About 1,800 troops using Soviet-made artillery were involved, said the source, who asked that his name not be used for security reasons. Heavy fighting continued in the area Tuesday, he said, but he gave no further details.

High Court to Rule in U.S. Draft Case

WASHINGTON (AP)—The U.S. Supreme Court agreed Tuesday to rule on the validity of the government's former policy of pressuring young men for failing to register for the draft only if they publicized their resistance.

The case involves David Alan Wayne, 23, of Pasadena, California, who contends that his free-speech rights were violated by the government's "selective prosecution." He has yet to stand trial. The court's decision probably will affect less than 20 draft-registration resisters.

In other matters, the court rejected the appeal of a British businessman who was denied U.S. citizenship because he was a homosexual. It also agreed to decide whether the weekly magazine The Nation violated federal copyright law by printing information from former President Gerald R. Ford's memoirs before his book was published in 1979.

The court also barred Arizona authorities from imposing a death penalty on a convicted murderer who was sentenced to life in prison because a judge mistakenly thought state law barred capital punishment in the case.

EC Official Urges Better Wine Figures

BRUSSELS (AP)—The European Community's effort to control its glutted wine market is being undermined by unreliable supply figures from member countries, the EC farm commissioner said Tuesday.

Paul Dalsager, speaking at an informal meeting of EC agriculture ministers in Angers, France, called for the creation of a special task force to study the wine problem and to recommend corrective measures.

Earlier this month, the French agriculture secretary, René Souchy, blamed the wine glut in part on a "scandalous underestimation" of wine production in Italy. Mr. Dalsager said earlier this month that about 60 percent of the estimated 680 million liter (150 million gallon) wine surplus in the EC is in Italy.

Zhao Leaves on Trip to West Europe

BEIJING (UPI)—Prime Minister Zhao Ziyang left Tuesday on his first visit to Western Europe, an 18-day trip that will take him to France, Belgium, Sweden, Denmark, Norway and Italy.

At an airport news conference, Mr. Zhao said he expected to discuss a wide range of issues with European leaders, including increased trade and technological cooperation and world peace.

Libyans Vow to Form Suicide Squad

LONDON (Reuters)—Libyan people's congresses have vowed to form suicide squads to destroy sabotage and assassination training allegedly set up in neighboring Sudan, according to JANA, the Libyan official news agency.

A JANA broadcast monitored in London said Monday that the camps had been organized by President Gaafar Nimeini of Sudan under U.S. British and Israeli direction.

Ian Paisley Rejects Dublin Invitation

BELFAST (Combined Dispatches)—The Rev. Ian Paisley, Northern Ireland's most prominent opponent of unity with the Irish Republic, says he has turned down an invitation to attend President Ronald Reagan's address to a joint session of the Irish parliament.

Mr. Reagan arrives in Ireland on Friday for a three-day visit. Mr. Paisley said Monday it was "the height of hypocrisy" for Prime Minister Garret FitzGerald of Ireland to pretend that normal relations existed with Northern Ireland by inviting him.

In Galway, Ireland, alumni of the National University of Ireland, in a voice vote, urged the school's governing board Monday to abandon plans to award Mr. Reagan an honorary doctor of laws degree. Speakers objected to U.S. policies on Central America and nuclear arms. (Reuters, AP)

Reagan Predicts Successful Olympics

COLORADO SPRINGS, Colorado (AP)—President Reagan, in a pep talk to American athletes hoping to compete in the Los Angeles Olympics, said Tuesday that "the games are moving forward and they will be successful" despite the Soviet-led boycott of the Games.

On the eve of Mr. Reagan's trip, the Soviet Communist party newspaper Pravda said he wanted to "grab a victory at the Games at any price for political aims." In his remarks, prepared for a speech to American athletes at the U.S. training center here, the president made the same charge against the Soviet Union.

"It is unfortunate that not all nations will be represented at the games," he said. "I hope you realize, however, that the success of the Olympics and your personal success in the games in no way depend on political machinations of powerbrokers in less-than-free countries."

Gromyko Rebuffs Query on Sakharov

MOSCOW (Reuters)—Foreign Minister Andrei A. Gromyko told Australia's foreign minister Tuesday that Moscow would not be instructed by outsiders how to deal with Andrei M. Sakharov, the dissident nuclear physicist.

The Australian minister, William Hayden, said that Mr. Gromyko, visibly irritated, had refused a request for information on Mr. Sakharov's health.

Mr. Hayden said he expressed concern about the case of Mr. Sakharov and his wife, Yelena G. Bonner, and asked about their present condition during the last of four rounds of talks with Mr. Gromyko. Mr. Sakharov, 63, began a hunger strike May 2 to press for his wife to be allowed medical treatment abroad. There has been no news of his whereabouts or health for three weeks.

Soviet General Seen as Rebel Victim

NEW DELHI (NYT)—A senior Soviet general died in Afghanistan this month when his helicopter was shot down near the Panjshir Valley by Modern rebels, Western diplomats said here Tuesday.

He was not identified. Informants said the incident occurred about May 5. If true, this would be the highest-ranking Soviet casualty in the current campaign in the Panjshir Valley.

For the Record

Lord Carrington, who will become the secretary-general of NATO next month, said Tuesday the door to dialogue with the Soviet Union was open. In a message published by The Times of London, the former British foreign secretary also said the Western allies would never use any weapons except in response to attack. (Reuters)

The 10 Leaders of Comecon, the Soviet bloc's economic alliance, will hold their first summit meeting in 13 years on June 12, a Soviet official said Tuesday in Moscow. (AP)

The trial of two men accused of fraud in the Hitler diaries case, Konrad Kujawski and Gerd Heidemann, will open in Hamburg Aug. 21, a lawyer for one of the defendants said Tuesday. (Reuters)

A retired Portuguese industry chief, Rogério Baptista da Cunha Cunha e Sa, 63, was shot and killed Tuesday in Lisbon and the leftist guerrilla group, FP-25, claimed responsibility. (Reuters)

Sikh extremists killed seven persons Tuesday, including two soldiers, in a new wave of attacks in India's Punjab state, authorities said. More than 300 have been killed in the state in the past three months. The Sikhs are seeking greater political and religious autonomy.

DGZ 1983 – A Successful Year of Wholesale Banking.

Deutsche Girozentrale – Deutsche Kommunalbank – (DGZ) has once again achieved good results in 1983. Total assets increased by DM 14 billion (= 5.1%) to over DM 29 billion. Income from interest differentials and commissions improved considerably.

The Bank continued to strengthen its position in international wholesale banking—specializing in syndications of public issues and private placements. DGZ offers a broad range of Eurofinancing capabilities as well as foreign exchange and money market services through a full-service branch and a wholly-owned subsidiary, both in Luxembourg.

Financial Highlights 1983	DM million
Balance Sheet Total	29,272
Due from Credit Institutions	9,881
Debentures and Bonds	4,688
Receivable from Non-Bank Clients	13,323
Fixed Assets	135
Deposits from Credit Institutions	9,613
Deposits from Non-Bank Clients	1,015
Own Debentures in Circulation	16,990
Capital and Published Reserves	505
Net Profit	24



**Deutsche Girozentrale
- Deutsche Kommunalbank -**
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Herald Tribune

Published With The New York Times and The Washington Post

The Growing Debt Burden

The sense of strain is rising among the Latin American countries that carry big foreign debts. The governments of those countries have worked desperately hard, in good faith, to meet their commitments. Most of them have accepted a rule of rather harsh austerity. But rising interest rates in the United States keep demanding further sacrifices of them.

Over the past three months, the interest rates in the United States have gone up about 1.5 percentage points. Most of the Latin debt floats, that is, it is financed at rates that move up automatically with the rates in the market. That point and a half since early March will cost Brazil alone more than \$1 billion a year.

There is only one way that Brazil, or any other country, can pay those interest charges. That is through exports to the industrial world. When the prime rate in New York goes up from 11 percent to 12.5 percent, as it has done this spring, that represents an increase of about one-seventh in interest charges. To meet it, Brazil has to increase its exports by one-seventh. That is not a small feat. Where are those exports going to go? American businessmen and labor unions are already carrying on a vehement campaign against foreign goods coming into U.S. markets. Expanding exports

to Japan and Western Europe is never easy, and in Europe, protectionism is aggravated by the slow growth of the economy.

Martin Feldstein, the chairman of President Reagan's Council of Economic Advisers, recently suggested that the indebted countries devalue their currencies to expand their export sales. But the kind of forced devaluation that Mr. Feldstein has in mind would mean further erosion of living standards in countries that have already seen a substantial decline.

Last weekend the heads of four of the indebted countries—Mexico, Brazil, Argentina and Colombia—joined in a statement warning that they will not allow interest payments to force them into "a prolonged economic paralysis." The Reagan administration would do well to take that warning seriously.

The Latin know that the reason for the rising interest rates is that Mr. Reagan is running an enormous budget deficit and does not want to raise taxes. Why should Brazilians pay for budget deficits in the United States? Latin governments cannot go much further in imposing hardships on their own people without evidence that Americans are going to take action to limit the burden.

—THE WASHINGTON POST.

Keep the Torch Burning

The U.S. Olympic Committee shows admirable initiative in trying to get the Games reorganized before they are destroyed by partisan protest. Moving quickly after Moscow's decision to boycott the Los Angeles Games, the committee has proposed new rules to discourage boycotts of all kinds, and not just by superpowers. The new rules would be coupled with a permanent and crucial agreement on where the Games are to be played. Taken together, the changes could end the crippling pullouts that have diluted three successive Games and may well dilute 1988's too.

There are two types of boycott. Most conspicuous are those against a host country, such as America's boycott against the Moscow Games in 1980, and now Moscow's withdrawal from Los Angeles. But there are also boycotts on side issues, for example the withdrawal of more than two dozen African countries from the 1976 Montreal Games, to protest a New Zealand rugby team's tour of South Africa. The Africans may stay out this year too, to protest Britain's sports ties with South Africa, but more than half the 1976 boycotters have said they will come.

The way to avoid boycotts against host countries is to pick a place acceptable to everyone. That rules out the United States and the Soviet Union, or divided countries such as South Korea, host of the 1988 Games.

The best solution would be a single, permanent site, in Greece, where the original Games were held. The U.S. Olympic Committee favors rotation among five sites in different parts of the world, but this would invite more hag-

gling over which five cities, and would increase the chance that future antipathies yet unknown would bring still more boycotts.

A third proposal would scatter each Olympics among several sites. This defeats the human interaction of all athletes playing together, and the festival experience as well. It would also dim the spotlight that minor sports can now briefly share.

Besides fixing the site, the American committee proposes that countries declare well in advance whether they will participate—two or three years ahead, not just a few weeks. A country that breaks its word would be suspended from the next Games, maybe the next two, and might also be fined.

These penalties would be more effective against small countries than big ones. The superpowers might boycott anyway, anticipating that they would be welcome back anytime. But establishment of a permanent site would remove the host-country issue that provoked the two superpower boycotts.

One immediate hazard remains. With the precedent of three boycotts in a row, what is in the cards for Seoul in 1988? The Soviet Union does not even recognize South Korea as a nation. Rather than risk the obvious, let the 1988 Games be switched now to a place that already has Olympic facilities, such as Tokyo or Montreal. Permanent siting could then be arranged for 1992 and beyond. Boycott-proofing is only one of the problems that confront the Olympic movement, but it is a good place to start. Inertia is the enemy now.

—THE NEW YORK TIMES.

Other Opinion

On U.S. Support of the Saudis

The addition by the Reagan administration of two more KC-135 tanker aircraft to the three already in Saudi Arabia is a more born of political, rather than military, necessity. The Saudis want their own flying tankers, so they can provide inflight refueling to their own fighters on patrol over the Gulf. Israel doesn't want the Saudis to have the tankers, for fear they will some day fly against Israel. If Israel opposes it, Congress will oppose it.

The president has gotten around this obstacle by keeping the planes in the U.S. Air Force. The Saudis will pay for their operation. While this politically obligatory military maneuver may placate the Israeli lobby, it raises another question: What about the War Powers Act? If the Iraq-Iran war has become so dangerous that our own national security requires us to bypass Congress to rush fighter jets over there, aren't U.S. military forces in a combat situation as they fly airborne warning aircraft and tankers in direct support of the Saudis?

While the military answer is "yes," the political answer is "no." Having the U.S. Air Force doing the flying and maintenance satisfies Saudi needs and calms Israeli fears. As long as no U.S. servicemen are getting killed, the War Powers Act will not be raised seriously.

—Syndicated columnist Otis Pike.

Ganging Up on the Russians?

Soviet President Konstantin Chernenko has denounced the United States, Japan and the Republic of Korea, charging that "they are trying to forge a military axis—a Washington-Tokyo-Seoul bloc," and adding that the

restoration of militarism in Japan would invite apprehension among Asian nations. This was Mr. Chernenko's first comprehensive statement on Soviet policy toward Asia.

What is most urgent is Japan's and other countries' efforts to achieve Soviet-American rapprochement. We regret that Japan, the United States and other Pacific nations have different opinions from the Soviet Union. We must remember that Soviet participation is indispensable for Asian peace and stability.

—The Mainichi Daily News (Tokyo).

Working Hard to Work Less

The prolonged and increasingly damaging battle over a shorter working week in West Germany is a most extraordinary spectacle, not just because it brought as many people onto the streets of Bonn (on Monday) as some of the anti-missile protests of the recent past. There is, of course, nothing sacred about the 40-hour week. Many already work less. But now West Germany's largest industrial union, IG Metall, has gone into battle for the 35-hour week as an alleged counter to unemployment. This paradoxical concern for the jobless would look less illogical and more compassionate if it were accompanied by a readiness to take a commensurate cut in pay of one-eighth.

Without that, firms are hardly likely to feel able to take on more staff since, with productivity constant, this would simply increase labor costs by one-seventh. And if workers were to increase productivity by such a margin as a quid pro quo, there would of course be no need for more staff. Small wonder that the employers and the government are so adamant in opposing this misconceived campaign.

—The Guardian (London).

Democrat Tune Plays Poorly in Parsippany

By David S. Broder

PARSIPPANY, New Jersey—In this suburban, where a visiting reporter finds himself sheltering during the New Jersey primary campaign, several major finance, food and technology companies have located office and training facilities in a shared, campus-like setting.

Twenty miles east of here, in the decaying center of Newark, the wind that stirs the shingles of Parsippany blows scraps of paper through gutters littered with discarded bottles.

Back in the early 1970s, when big-city mayors toured the country talking about the need for a "national urban policy," Newark Mayor Kenneth Gibson would say, "Wherever the cities of America are headed, Newark will get there first."

But today, even the phrase "urban policy" sounds passé. The future of the city seems to lie, not in the Newark of America, but in the Parsippanys. As reporters flocking here for the climactic battle of the long Democratic nomination struggle are discovering, New Jersey is no longer the state of oil tanks and old factories one sees traversing the Philadelphia-to-New York City corridor, but a state of high-tech industries and word-processor office complexes.

That new New Jersey was reflected in the only political ads that were running here last week—ads not of the financially strapped Democratic contenders but ads aired by the Reagan campaign committee. The beautifully filmed scenes, featuring marriages, housewarmings, family reunions and the arrival of new babies, were clearly set in the suburbs, not in the big cities.

The upbeat message: "Now that our country is turning around, why would we ever turn back?" It is not difficult to quibble with the picture the Reagan ads draw or to argue the flaws in their argument. But it is also impossible to resist the attractiveness of the perspective through which

they see America's future or to ignore their relevance to states undergoing the sort of transition New Jersey is experiencing.

In the much bleaker British economy of 1983, similar ads helped Prime Minister Margaret Thatcher and her Conservative Party gain a resounding re-election victory.

They too, used the "don't turn back" theme, arguing that as painful as the deep recession of 1981-82 had been and as hard as unemployment was for those affected, the opposition knew no remedy except for higher spending, higher taxes and—worst of all—higher inflation, the very policies the Conservatives said had gotten Britain into trouble.

It worked brilliantly in Britain, and the Republicans probably have calculated correctly that it has a good chance of working in the United States. More voters would like to think about how they can make it to Parsippany than worry about how to rescue Newark.

All this puts the Democratic race into a different context. When New Hampshire voted way back in February, it was obvious its people adored President Reagan. But to Democrats, the race against Mr. Reagan seemed far down the road, and New Hampshire was not a state they needed, or realistically aspired, to carry.

Now, the Democrats are only seen weeks away from nominating Mr. Reagan's opponent and they are more conscious of the task of taking him on in states like this one. Neither New Jersey nor California—the other big state that picks delegates next Tuesday—has voted Democratic in the presidential race since 1964.

Who could make them competitive this year?

Jesse L. Jackson will carry Newark next Tuesday, with his rhetoric about lifting "the boats on the bottom." Walter F. Mondale is expected to win the blue-collar suburbs, especially those populated with second-generation and elderly Jewish-Americans and Italian-Americans. The Parsippanys probably belong to Gary Hart, who has come to dislike the "Yompe" (young upwardly mobile) label on his voters—but not enough to disown them.

But ask almost anyone in politics here about the outlook for November, and you are likely to be told New Jersey is probably a Reagan state. Mr. Hart comes closest to the kind of Democrat who has been winning here—roughly the same age and outlook as the popular Senator Bill Bradley—but even he would be an underdog.

The problem is bigger than personalities. The Democrats face a genuine dilemma. As the odds, they are supposed to "view with alarm," not "point with pride." Many of their core constituency groups have been hurt, or feel they have been hurt, by the economic policies of the Reagan administration.

So the Democrats have to raise doubts and argue that gross budget deficits, high real interest rates and trade imbalances can destroy the prospects for a bright economic future. They have to seek economic justice for those who are trapped in the ghetto and will never see Parsippany.

But, historically, as Democratic orators like to say, they have been "the party of hope" for millions of Americans. Today, their speeches make them sound more like "the party of fear."

The Reagan ads are a sharp reminder that the Democrats are in danger of losing that franchise on hope—which could be a lot more serious than losing one election.

The Washington Post.

Sakharov: Seeking A Solution

By Jeremy J. Stone

This is the second of two parts.

WASHINGTON—On the last day of a November 1983 visit to Moscow, we met by pre-arrangement with Andrei Sakharov's wife, Yelena Bonner, in the U.S. Embassy. We learned that she needed a pacemaker for her heart but was distrustful of the "official doctors."

She showed us a letter Andrei was sending President Yuri V. Andropov, asking for a visa for her to travel to the West. She showed us some anti-Semitic writings from the Ministry of Justice; they had gotten Soviet citizens so worked up that she was being accosted in the streets.

She called upon Sakharov supporters to consider these goals: Improving his medical treatment through access to medical attention in Moscow; returning him to his Moscow dacha, where he could have regular contact with Soviet scientists; and defending his right to emigrate.

What to do? This was November, and even then there was a hint of a new hunger strike in the offing. The Federation of American Scientists began working on a way that Mr. Sakharov and Miss Bonner might be expelled from the Soviet Union and sent to the West.

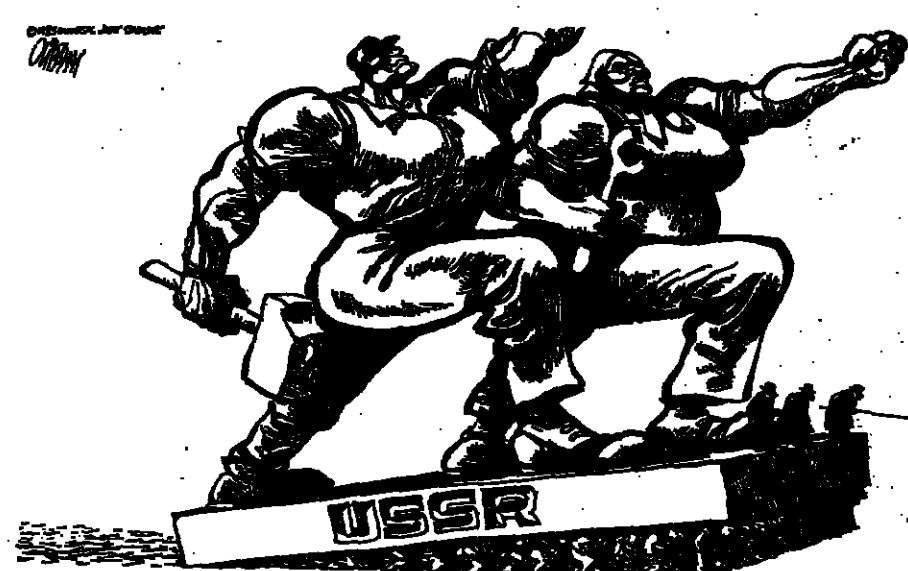
It seemed feasible. We knew that officials in Moscow were split on a course of action. Some Soviet officials thought he knew too many secrets ever to be allowed to leave the country. Some were even saying that he was so brilliant that "the still might invent something against us." But others thought that 15 years without a security clearance, and 30 years away from real weapons work, was quite enough to permit his exit.

Moreover, about that time, there were stirrings. The Soviet justice minister, then in Sweden, said that if Mr. Sakharov asked to leave he could do so. When this was repeated in Moscow, Miss Bonner told the press that she and her husband indeed wanted to leave. There were subsequent rumors that Mr. Sakharov was about to be sent to America. But as a key West European figure later told one of our scientists, the Soviet Army vetoed Mr. Andropov's effort to send Mr. Sakharov along because Mr. Sakharov knew too much about the internal politics of the Soviet Union.

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—The Guardian (London).



Still, it had apparently been close, and we had hopes that Mr. Andropov, clever and powerful from his past work in the KGB, might be able to pull it off later. His death put a crimp in any hopes, but the thought remained in place. In January of this year, Mr. Sakharov made his demands public.

A letter sent to us read in part: "Thank you very much for the presents that were brought from you by Yelena. Now in the evenings I am getting acquainted with the computer, children and grandchildren."

"In my letter to Andropov, I wrote that his trip has become for us a question of life and death—and this is truly so. I have less and less hope that this problem will be solved by 'usual' means. I've begun thinking of a hunger strike again, however horrible or monstrous it may sound. But is there any other way out?"

The Sakharovs had been told that an answer to the visa demand would come from the Soviet authorities after May 1. There was no medical

mother, children and grandchildren.

Yelena had already been waiting two years for this fourth trip to the West. But when Mr. Sakharov needed treatment for pleuritis and went into the Gorki hospital, Miss Bonner decided to return immediately from her Moscow visit to be with him. On April 12 of this year, she was escorted to the railroad station by three U.S. Embassy employees and handed them a blank envelope, asking them to hold it for her. It contained contingency plans in which Mr. Sakharov would hold a hunger strike while Miss Bonner would take temporary refuge in the U.S. Embassy.

Since nothing in Moscow is secret, and since this strategy of using the U.S. Embassy to dramatize the hunger strike would have been extremely provocative, it is no surprise that Tass prematurely attacked Miss Bonner and the U.S. Embassy, and

reason not to wait for an answer: Yelena had already been waiting two years for this fourth trip to the West. But when Mr. Sakharov needed treatment for pleuritis and went into the Gorki hospital, Miss Bonner decided to return immediately from her Moscow visit to be with him. On April 12 of this year, she was escorted to the railroad station by three U.S. Embassy employees and handed them a blank envelope, asking them to hold it for her. It contained contingency plans in which Mr. Sakharov would hold a hunger strike while Miss Bonner would take temporary refuge in the U.S. Embassy.

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In Brutal Silence, the Afghans Still Fall

By Barnett R. Rubin

NEW HAVEN, Connecticut—Afghan refugees interviewed in 1980 reported a slogan they heard frequently from the Communist regime: "We need the soil of Afghanistan, not its people." Today, what little we hear of the war in Afghanistan also focuses on the struggle for territory. Few outsiders are familiar with the war against the Afghans that the Soviet Union and its client regime carries out through mass arrests, torture and killings of civilians.

These abuses derive from Moscow's counterinsurgency strategy, which is to hold the major cities, military posts and communications links as bases for its military forces and client regime. From the security of these garrisons, the Russians launch offensives against areas of the countryside held by the resistance. These offensives terrorize or expel the rural population. Of a prewar population of 15 million to 17 million, today more than three million are in Pakistan and perhaps one million in Iran, while the cities of Afghanistan are swollen with uncounted hundreds of thousands. As Moscow steps up its offensive, tens of thousands more refugees are arriving.

In the cities, the Soviet Union and the regime in Kabul still maintain control despite continued armed resistance. While the Red Army, with assistance from the desertion-riddled Afghan Army, holds the checkpoints and guards the key buildings, the Khad—the Afghan political police—arrest and torture.

The Khad—the name stands for the Persian words for State Information Police—was organized in 1980 with the assistance of KGB advisers.

The Khad maintains detention centers where it interrogates prisoners under a variety of tortures. An Amnesty International report lists eight such detention centers in Kabul. A former police official I interviewed listed six in Kandahar, and these centers exist in every town.

The same official described a truck coming out of one such center in Kandahar in 1981. Inside were the bodies of those who had died under torture, their hands chopped with an ax and blood flowing from their mouths. Those who survive such tortures are transferred to the prisons, such as Pule Charkhi prison, outside Kabul, where an estimated 22,000 political prisoners are held.

The Red Army's presence depends on a sparse network of paved highways along which convoys continually pass from the Soviet Union to Kabul and provincial centers. When the resistance ambushes these convoys, the Russians take vengeance on the civilian population. Sometimes the soldiers enter a village and shoot and bayonet civilians, including children. In other cases, special units kill hundreds of civilians at a time with MGs and helicopter gunships.

To prevent resistance attacks, the Red Army, sometimes together with Afghan units, undertakes "pacification" operations in villages near cities or roads. During house-to-house searches, a single piece of evidence of collaboration with the resistance of a villager leads to swift and summary execution of all males in the house.

Sometimes no such evidence is necessary. Witnesses interviewed by the Afghan Information Center in Pakistan said that a Soviet unit in Karachi asked the villagers to take all their valuables out of their houses while they searched for "bombers." When the soldiers began looting, some elders protested. The Russians shot 12 men on the spot.

Political or tribal resistance groups control most of the countryside. When resistance forces based in the leading centers of resistance lines or pose a political challenge, Soviet troops launch big offensives. First, they bomb and strafe the area from the air and pound the villages with heavy artillery. These assaults kill hundreds of civilians at a time. Then ground forces move in to search houses and arrest and execute people. They loot and burn down houses, kill livestock, destroy irrigation channels and cut down fruit trees.

Survivors have no choice but to leave. As they cross mountain passes, sometimes barefoot in the winter snow, they may lose limbs from frostbite or land mines. Many children have perished on the way from disease, starvation and exhaustion.

The Afghans are proud of their resistance, and they would rather speak of this than of their sufferings. But in this fifth year of their war against the occupiers, those of us who care for peace or human rights should raise our voices rather than abandon the Afghans to that vast silence where unknown people fall.

The writer, an assistant professor of political science at Yale University, contributed this comment to The New York Times.

Debate '84: Is Reagan Up to It?

By James Reston

WASHINGTON—Maybe you are still interested in the hazy-punk of the Carter-Reagan debates, now back in the news, but the more interesting question is whether President Reagan will debate his Democratic opponent in 1984.

There is no guarantee that he will. He says he is for debates in principle but he is making no promises. Most presidents do not welcome these debates, which put their challenges on an equal footing with them in a verbal prize-fight ring before a national television audience. And Ronald Reagan is no exception.

He prefers controlled situations with a carefully constructed text in his hand. Against the imposing background of the Oval Office, he reads a speech better than any president since Roosevelt, and with invisible screens carrying the text, he does not even seem to be reading it.

He also is not happy with the question-and-answer games with reporters in televised news conferences, and avoids them as much as possible. But he can always turn difficult questions aside and choose the next questioner. Not so in presidential debates. In these one-on-one confrontations, he is not in charge. He cannot filibuster or evade, at least not without risking the judgment of the people.

Accordingly, the planners of his campaign strategy are wondering how to deal with this debating question. They are political professionals and superb stage managers. They know how to get on television at the Great Wall of China, and meeting the pope in Alaska on his way home.

What worries them is what he might say—or that he might not know what to say—when confronted by the brutal facts of foreign and domestic policy. You have to know Mr. Reagan well, his shallow knowledge of history and even geography, his vulnerability to the most obvious questions of fact, to understand the dangers of turning him loose without a Teleprompter and a road map. The element of surprise in these verbal wrestling matches can be dangerous. President Eisenhower advised Richard Nixon not to debate John Kennedy in the 1960 election. But Mr. Nixon went ahead, gave Mr. Kennedy's handsome Irish mug and gift of gab a national audience and lost the election by a whisker, maybe because he lost the debates.

In 1972, Mr. Nixon was so far ahead in the polls that he refused to debate George McGovern. In 1976, President Ford, running behind in the polls, agreed to debate Jimmy Carter, and in the confusion made "There's no Soviet domination of Eastern Europe." For this he was mocked and never got over it.

So Mr. Reagan's campaign advisers would like to avoid debates this fall but do not know how they can. Some are telling the president to go ahead and debate, even to offer to do so. Their argument is that Mr. Carter agreed to debate him, and it would be awkward to refuse an invitation.

Since the Democrats are charging that somebody gave Jimmy Carter's debating papers to the Reagan camp, it would be another reason not to avoid a debate. And Mr. Reagan is already in enough trouble with women voters without refusing the demands of the League of Women Voters that the debates go on.

Yet there are others in his camp, who, balancing Mr. Reagan's personality against his amiable indifference to facts, think a debate is too risky. That he should campaign from the White House and say he is too busy handling the economy and the Russians to bother with the Democrats.

There is, however, an argument in the national interest for presidential debates. It is not clear that a good debater makes a good president. But it is probably the best way the people can see and hear the candidates discuss together their vision of the future and the issues that divide them.

Otherwise, the presidential campaign will be left, as it has been so far, to a separate and vicious clash of personal and partisan slogans, organized by advertising agencies and paid for by special interests on both sides, that concentrates on the past and appeals to fear.

At least the debates might give the people a chance to hear the candidates discuss the nation's problems, and get some idea of who has a vision of the future.

The New York Times.

LETTERS

Unused but Usable

Regarding the opinion column "Blackmail? But the Bomb Is Usable" (May 23) by William Pfaff:

It seems to me very difficult to share the view that "the threat doesn't convince" because "nuclear weapons are unusable." The fact that nuclear weapons have not been used does not mean that they will not ever be used. There is no one example in human history of a newly discovered weapon that has not been used at some time after its discovery.

CLAUDE LACHAUX.

Paris.

Tamil Representation

In response to "The Tamil Guerrillas" (Letters, May 28):

The writer repeats a long-exposed falsehood regarding discrimination against Tamils in Sri Lanka. Tamils constitute 35 percent of engineers, 35 percent of doctors and 33 percent of accountants in the public service. As regards Tamils being barred from the military and police—this is totally false. The inspector-general of police is a Tamil, as are half his deputies.

PREMLAL RATNAPPAKE.

Bonn.

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Le Pen Seeking Respectability

French Rightist Aims for Recognition in European Vote

By John Vinocur
New York Times Service

PARIS — Almost every night last week, there was a campaign rally, and almost every night there was a fight to go with it, a scenario of siren and blood: Jean-Marie Le Pen speaks, the crowd shouts "Fascist! Racist!" and politics turns into clubs and fists and the gyr of lights from tens of police cars.

It is "the foreigners," Arab and African immigrants, and the Communists — "les cocos" in French slang — who have tried to break up his meetings, Mr. Le Pen says.

The explanation he offers for the violence is essentially the one he provides for most of France's problems, and its apparent simplistic appeal has turned Mr. Le Pen into a discomforting political phenomenon.

If the current polls are correct, Mr. Le Pen and his rightist National Front party should easily win seats for the first time in the European Parliament in voting June 14 and 17 in the 10 member countries of the European Community. Perhaps more than elsewhere, the vote in France is pure domestic politics, a quasi-plebiscite on the Socialist-Communist government. Mr. Le Pen calls it historic because it will permit "the eruption of the National Front into what you could call the classic political scene."

Eighteen months ago, Mr. Le Pen's party barely existed. In the intervening period, a time of growing unemployment and economic frustration in France, the National Front did well in some municipal elections, insisting that it was not "fascist or extremist, but shouting that France was being 'colonized' by an Islamic-Arab wave," stealing jobs, bringing crime and drugs

and turning the French into second-class citizens in their own country.

Now, with the prospect of winning four or five seats among the 81 French representatives to the Parliament in Strasbourg, the party believes it is on the edge of respectability. Of all the elements that distress the French political establishment about Mr. Le Pen's rise, the greatest is his success in rendering himself relatively innocuous, in making his vocabulary, one of verbal winks and nudges rather than outright demagoguery, part of acceptable political dialogue.

For Mr. Le Pen, the classic spectrum of French politics, including the moderate and conservative parties, is responsible for what he calls the country's misery. His summary vision, defined by René Remond, an historian of the French right, "is that of a poor man's Vichy," a society of order and authority as characterized by Marshal Philippe Pétain's collaborationist government in World War II.

"I'm not a religious democrat," Mr. Le Pen says, offering his own definition of himself. "That means that once you've installed democracy you just don't let it run and everyone turns out happy and prosperous. No, I'm a man of the right."

At 56 years of age, he is blond and beefy, a near caricature of the Foreign Legion officer he once was. A substantial inheritance gave him a large house on the bluffs of Saint-Cloud, overlooking Paris. Behind its gates are two Doberman pinchers; inside, two life-size wooden blackamoors stand guard, holding candelabra alongside the fireplace.

When he talks, it is softly at first. But the volume comes soon, particularly to express "what a horrible lie" the idea is that because he

wants to send immigrants home he might be a manipulator of violence and hatred.

He says it is absurd to suggest that he or his party is anti-Semitic, although one of his running mates has written that "The Jews have a tendency to occupy all the key posts in the Western countries." French Jews are like all other French citizens, he says. Using his voice as an allow to nudge his audience, he adds, "On the other hand, I don't consider myself obliged to like Mme. Veil's policies, or Chagall's painting, or Mahler's music."

Simone Veil, the former president of the European Parliament, heads the unified ticket of the main moderate and conservative parties in the June elections. As minister of health under President Valéry Giscard d'Estaing, she played an important role in the relaxation of French abortion laws and has become a main target of Mr. Le Pen's campaign.

Mrs. Veil is Jewish and a survivor of Auschwitz. When Mr. Le Pen was asked if he had described her law on abortion as being "responsible for the genocide of thousands of French babies," the answer was no, but that the remark, "seen personally, of course, seems to correspond to reality."

Mr. Le Pen mixes his remarks with such statements as "I defy anyone to show that we are extremists. Our ideas are constitutionalist and in favor of the republic. We participate in all the elections. We've never been accused of operating against the external or internal security of the state."

For Mr. Remond, the National Front calls neither for violence nor for the destruction of French political institutions. But he insists that



Jean-Marie Le Pen, leader of the National Front.

"an extremism remains in the sense that it proposes simplistic solutions for complex problems."

Mr. Remond is less hard on Mr. Le Pen than Pierre Poujade, the old rightist politician who once regarded Mr. Le Pen as a protégé during his brief period of success in the mid-1950s. Mr. Poujade described him as "an adventurer," a man ready "to say absolutely anything, dance any pirovete to grab a couple of votes."

When Mr. Le Pen talks about the meaning of the probable entry of his party into the European Parlia-

ment, he says it is so that people with political opinions like his own will stop being treated "like *Untermenschen*" — subhumans.

There is the quick smile of a man who is convinced he has just said something witty.

"Anybody can hang a swastika around my neck and put a helmet on my head," Mr. Le Pen goes on. "That's easy. You can do it to President Mitterrand too. I just want to talk the way I am, and if they let me talk, I dare say, they'll know I've been passing through."

France, West Germany Try to Defuse D-Day Controversy as Summit Ends

By E.J. Dionne Jr.
New York Times Service

RAMBOUILLET, France — President François Mitterrand tried Tuesday to defuse a controversy over West Germany's attempt to participate in ceremonies commemorating the 1944 D-Day landings by announcing a joint French-German ceremony next September at Verdun to honor the war dead of both nations.

Mr. Mitterrand made his announcement during a news conference with the West German chancellor, Helmut Kohl, at a château in this town west of Paris. The news conference marked the conclusion of the 43d Franco-German summit meeting, and the two leaders announced a variety of measures that underlined their warm personal relations and close governmental ties.

The agreements included plans for the joint construction of a new combat helicopter, a study on establishing a military observation satellite and an agreement to abolish the formalities at the French-West German border for private travelers.

Mr. Mitterrand said that "the chancellor and I have decided to proceed from now on with the abolition of all formalities for private

travelers." He said he expected the decision to be implemented within weeks. It will not apply to commercial traffic.

Mr. Mitterrand also said that "joint maneuvers between the armed forces" of the two countries are "in progress."

But the controversy over the D-Day ceremonies has turned into a highly public embarrassment for both Mr. Kohl and Mr. Mitterrand. The French president tried to short-circuit questioning on the subject Tuesday by announcing the September ceremony at Verdun and denying that Mr. Kohl had tried to participate in next month's observance.

Mr. Kohl had sought, through intermediaries, to attend the June 6 commemoration of the 40th anniversary of the Allied invasion of France. The Normandy ceremonies will be attended by Queen Elizabeth II, President Ronald Reagan, Mr. Mitterrand, Prime Minister Pierre Elliott Trudeau of Canada and thousands of veterans.

Mr. Kohl, who reportedly believed that his presence at the ceremony would mark the reconciliation of the allies and Germany, was rebuffed in his effort to attend. His presence was opposed by some

French veterans' organizations, particularly former Resistance fighters.

In the face of repeated confirmations by various officials of Mr. Kohl's interest in participating in the D-Day ceremonies, Mr. Mitterrand declared that "not one step was ever taken by the Federal Republic of Germany and its leaders in this regard." He said that West German leaders had treated the anniversary of the invasion "in a spirit of discretion and delicacy."

Mr. Kohl added that "perhaps I nor anyone in my government took steps toward participation in the anniversary of the landing."

"If I had ever felt such a need," Mr. Kohl continued, "it would have been easy for me to talk about it in view of the quality of my relationship with the president of the French Republic."

The ceremony at Verdun, marking one of the bloodiest battles of World War I, was seen as a face-saving measure by Mr. Mitterrand.

Mr. Mitterrand also noted that a German memorial ceremony would take place on June 8 at the main German cemetery at La Cambe, near Isigny, to commemorate the German dead in the Normandy campaign.

Rescheduling Third World Debt Won't Solve Problem

(Continued from Page 1)
tive, to encourage debtor states to carry out the domestic economic reforms proposed by the IMF.

The second constraint is that bank lending — at a much reduced rate from the late 1970s and early 1980s — must continue if the developing countries are to achieve the minimal rate of economic expansion needed to avert a social explosion.

But bankers insist that commercial lending will evaporate if banks are forced to take losses on the debt already outstanding.

That five-point strategy devised

in response to the 1982 debt crisis called for domestic economic adjustment by the debtors, more rapid growth in the industrialized world, availability of financing from commercial banks, the IMF and national central banks. But even the architects of that strategy acknowledge that it needs to be revised.

"That strategy has, on the whole, worked remarkably well," said Rimmer de Vries, a Morgan Guaranty Trust economist who helped devise it. "It has worked in many respects better than we could have expected. We have a strong recovery,

a lot of adjustment — in Mexico, even Brazil, Chile and so on.

"However, the weak point is that we have an interest-rate rise earlier and more than we had assumed in our scenarios. No one knows where they are going to go, but clearly there is a fear of interest rate escalation... and the strategy did not allow for a great deal of interest-rate escalation. We had 11 percent Libor assumed, on average, for this year and next year."

Following a recent seminar on the debt question held by the Federal Reserve Bank of New York there has been much talk about the possibility of putting a "cap" on rates — with any increase over the established maximum rate effectively being added to the principal and repaid at final maturity.

But experts say there a lot of difficulties with this concept — including possible problems with domestic customers if their loans are not also capped, the huge task of renegotiating the loan terms in all the outstanding contracts, the level of the cap and the danger that if rates went to 20 percent and loans were capped at 12 percent lending banks would run a tremendous loss in funding their positions.

But the basic flaw in the cap formula is that, like the initial overall strategy, it only postpones the payment and does nothing about reducing the debt burden.

Reducing the margins on loans is the most obvious way to ease the problem, as many bankers privately admit. This would involve the immensely complicated job of reopening all the old contracts. The biggest drawback to this proposal

is that it risks driving the smaller banks out of the market.

These smaller lenders already have used every opportunity they could to reduce their exposure to the troubled developing countries. Where these banks have maintained their lending it is due to the fact that the IMF has conditioned its own lending to the provision of new funds from commercial lenders and because the return on such loans is appealing.

Another idea, put forward at a recent World Bank seminar on debt, is that interest charges be adjusted quarterly but paid annually or that the base rate, rather than being Libor as quoted on a specific renewal date, be the average of daily Libor rates quoted over the previous six months. Either measure would have the effect of smoothing the climb of interest rates.

Mr. Neufeld said that "the first step toward the re-establishment of each borrower's creditworthiness is the measurement of the required debt relief. The second step is the definition of the mechanisms to bring about that relief. The third step is the interaction among banks, governments and multilateral institutions in order to define the share of relief to be borne by each."

He warned in his study that banks "will have little credibility in their relations with governments and official institutions unless they are ready to share in the provision of relief. Relief to the borrower means a cost (or a lesser return) for the lender."

Mr. de Vries prefers "a revolving facility" — preferably in conjunc-

tion with the IMF — that would provide the additional cash needed to service debt when interest rates rise above a predetermined limit.

Virtually all commentators put great emphasis on the need for the World Bank's developmental aid to play a larger role than it has in helping to sort out the debt situation. They call on it to speed up payments for projects that are already under way, to speed up its co-financing projects that link the institution with commercial lenders, and to move more forcefully than it has in granting long-term structural loans.

"What we need," said Mr. Neufeld, "is a forum where each country's problem can be examined and where all the players — the debtors, industrialized governments, the multilateral institutions and the banks — can assess what their contribution needs to be to restore the creditworthiness of each borrower."

5-Year Autonomy Plan Voted for New Caledonia

United Press International

PARIS — The French Parliament approved Tuesday a five-year autonomy plan for the French South Pacific territory of New Caledonia that allows for possible independence in 1989.

After two days of debate, the National Assembly voted to give New Caledonia a new locally elected government and to extend the powers of the local parliament.

'Flying Cigar' in Gorki Ignites An Investigation in Moscow

Reuters

MOSCOW — The Soviet Union has set up a commission to investigate unidentified flying objects, Trud, the organ of the Trade Union Council, reported here.

Trud said the Commission on Abnormal Atmospheric Phenomena, headed by Pavel Popovich, a former cosmonaut, was established in February to investigate all sightings of moving objects or flashing lights in the sky.

Mr. Popovich was quoted as saying that there were hundreds of reports each year in the Soviet Union and that most could be explained scientifically. But he added that scientists had been disturbed by events in Gorki, 400 kilometers (250 miles) from Moscow, which defied rational analysis.

He said that on March 27, 1983, air traffic controllers at Gorki Airport saw an object which they described as a "flying cigar" about the size of an airliner, but without wings. They reported that the object was visible on radar screens for about 40 minutes before vanishing.

Mr. Popovich said this report was taken seriously because the witnesses were trained aircraft experts who could be relied on to give an accurate account of what they had seen.

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ARTS / LEISURE

Revivals of Musicals Enliven British Stage

By Sheridan Morley
International Herald Tribune

LONDON — A week of three Broadway classics, and none more welcome than "Golden Boy," with which Bill Bryden's team of Cortesio prizefighters take to the Lyttelton stage of the National Theatre like the champions they have always been. Intelligently following a West End lead (productions of "Rocket to the Moon" and currently "The Country Girl" have been gracing the Apollo in Shaftesbury Avenue these last two years) the National has at last woken up to the importance of Clifford Odets, and though this is by no means his best play, I doubt we shall live to see a better production of it.

This, of course, is the one about the boxer. All contenders through to Brando in "On the Waterfront" started here, as did every cliché of the boxing movie — here, the champ actually gets to say that his hands are broke and that he'll never get to play the violin again.

Written in 1937 to save the Group Theatre from the break-up being caused at least in part by his defection to Hollywood and Luntz Rainer, it is a ringside metaphor about selling your soul if not to the movies then at least to the mobsters. In that sense it's also of course the first half of "The Country Girl," with the boxing ring as the stage and the star on his way up instead of out. But what Bryden has wonderfully remembered is that this was a play written for a genuinely group theater, and although he has found himself an intriguing new star in Jeremy Flynn, who plays the prizefighter like a gutsy Woody Allen, he has also assembled a dozen of the best supporting actors in town.

Thus we get Jack Shepherd, at the top of his form, as the homosexual gangster (a role created in the United States by Elia Kazan), Lisa Eichhorn as the loving Lorna Moon, falling for Joe on a bench in Central Park during one of the very few scenes where the play truly shows its age (nowadays they'd have been dismembered by muggers before the first kiss), and Trevor

Ray, Derek Newark and James Grant as a rich and rare assortment of heavies. Moreover in Odets's marvelously clenched poetry of the sidewalk, the American theater has come as near to O'Casey as makes no difference: In Lorna's last great speech about the murdered boy with the generous face is an autobiographical lament of wrenching power.

The original cast of "Golden Boy" was a roll call of great American actors, not only Kazan

THEATER IN ENGLAND

but Martin Ritt, Frances Farmer, Luther Adler, Lee J. Cobb and Karl Malden. It is, 50 years on, hard to believe that even they could have done much better with this play, or that even they managed to solve the final scene in which Odets's burnout has already and terrifyingly begun.

The ultimate irony is that the burnout affected the play as much as its author: "Golden Boy" ended up as a glossy, vacuous Broadway musical for Sammy Davis Jr. If that is all you know of it, or maybe not even that, hasten to the National. "Golden Boy" is the best thing they've done since "Glengarry Glen Ross," and it is no coincidence that most of the same people are involved.

Back to Her Majesty's almost 30 years after its first production there has come another great street opera, "West Side Story," in a painstakingly faithful recreation of the original Jerome Robbins production by one of his principal dancers, Tom Abbot. There is therefore a very faint sensation that you are being shown around a museum of dancing. Leonard Bernstein's score still soars to the back of the gallery, Stephen Sondheim's lyrics retain all their original urgency ("Could it be? Yes, it could. Something's coming. Something good. If I can wait"). Arthur Laurents's "Romeo" update is as corny

as ever but somehow I would have liked it looked at by a choreographer of the '80s. This was after all the first great dance musical — before Robbins no dancer had ever been allowed in total control of a Broadway blockbuster and since him few have been done any other way. But to set it back so totally in '50s techniques merely because the show is set then seems to be much akin to hiring a Victorian director for "My Fair Lady."

For all that, "West Side Story" is a vital and important and unmissable reminder of what made musicals great before the days of roller skates and video screens. It is pure theater across three hours of teatime poetry in motion.

An earlier world of the Broadway musical has been disintegrated at Chichester with the revival of "Oh, Kay!" the Gershwin-P. G. Wodehouse classic that first made a New York star of Gertrude Lawrence 60 years ago. The original book has now been touched up by Ned Sherrin and Tony Geiss and seems not a lot better or worse than ever it was, despite a couple of new characters and some intelligent cuts.

The book was never what mattered, though. What defeats the highly stylish revival is the vast open space of the Chichester stage and the casting of Jane Carr in the old Lawrence role. Carr is a talented and funny and enchanting lady, but vulnerable she is not: She is about as much in need of someone to watch over her as a Sherman tank would be, and from that initial difficulty Ian Judge's elegant production (wonderfully set by Peter Rice on a piano lid) never quite recovers. Lindsay Dolan's choreography also shows signs of a desperation to fill the stage with dancing feet even if there aren't quite enough of them, and the result is essentially "Gatsby on Ice." I'd still not have missed this for a score that comes at you in song after song as a rare reminder of the untouchable greatness of the brothers Gershwin.

It's a Cool 'Saturday' for Stockhausen in Milan

By William Weaver
International Herald Tribune

MILAN — Three years ago, the Teatro alla Scala gave the world premiere of "Donnerstag," part of a projected seven-opera cycle by Karlheinz Stockhausen, which when completed sometime in the next century will have the overall title "Licht." The seven parts are named for the days of the week and La Scala has just staged the second opera to be completed: "Samstag" (Saturday), in the composer's concept of the day of Lucifer.

"Samstag," comprising about three and a half hours of music, involves 136 performers, of whom the most prominent is Stockhausen himself. For technical reasons, the production could not be done in

the historic Scala building, and was staged in the immense Sports Palace. In the center of what would be the playing space, the composer sat before a huge console, controlling the effects of the production, whose visual aspect was credited also to Luca Ronconi and Ugo Tessitore, stage directors, and Gae Aulenti, for the scenery and costumes.

The visual magic was less spectacular than many people had expected. After the evocative opening, a quadruple fanfare from the corners of the vast space, the four scenes that make up the body of the work did not display prodigies of invention. Much of it has been seen before, like the trolleys pushed by dinner-jacketed stagehands that carried some of the performers in and out (a favorite Ronconi de-

vice). Even some of the novelties — the two suit-walkers in the elaborate third scene — quickly lost their impact, as their marches were repeated over and over.

Proportion, a sense of pace, is not Stockhausen's long suit. Everything continued beyond the point of interest. Thus, in the final scene, when the Handel Collegium of Cologne, disguised as monks, chanted, growled and yelled a Franciscan text, the first few minutes were impressive, then weariness set in. When several dozen pseudo-monks were required to smash, one at a time, a coconut against a flat stone, the whole thing threatened to dissolve into silliness.

Stockhausen has an army of uncritical fans, and for them "Samstag" will surely be a masterpiece.

For others, it can seem a pretentious bore, with moments of theatrical relief. In any case, the composer is fortunate in having a number of committed and gifted performers, headed, on this occasion, by the University of Michigan Symphony Band under H. Robert Reynolds, and including Markus Stockhausen, the composer's son, a brilliant trumpeter; his daughter, the intrepid pianist Maella Stockhausen; the versatile flutist Kathinka Pasveer, and the Slegwerk-groep Den Haag, sensitive percussionists.

There was a bit of dissension expressed by the public, which thinned considerably. But, for the most part, the work was received with polite tolerance, and with enthusiasm by the devotees.

Learning to Float With Chrissie Hynde

By Michael Zwerin
International Herald Tribune

PARIS — Chrissie Hynde could be cast as the liberated working woman in a family planning commercial. She might even be the director.

"Learning to Float," the latest album by The Pretenders, a band she leads and composes for, has sold more than a million copies. She has been called "the first woman in rock 'n' roll not to play guitar like Joni Mitchell." From her determined stride, you

'I couldn't really play guitar at the beginning. All I had was my attitude.'

suspect she would not throw a baseball "like a girl," yet "tomboy" certainly does not apply. Her 16-month-old daughter was fathered by the Kinks' Ray Davies, to whom she is not married.

Wearing no makeup, she speaks with eye contact and without intellectual pretension. She seems to have constructed an attractive anonymity, like a personality-lift, realizing how valuable anonymity was after she'd lost it. "I was really happy," she says of her early rocker's life in London 10 years ago. "I could go wherever I wanted and, nobody cared what I did."

Born in Akron in 1952, she left Ohio after working her way through three years at Kent State University as a waitress. Her independent femininity, involving for one thing an impressive flow of expletives, fascinated the British rock world when she was "just a kid looking for a few quid to keep afloat."

She worked as a clerk in an architects' office, and for the punk fashion entrepreneur and Sex Pistols manager Malcolm McLaren. She slept on a mattress on the floor, read the Bhagavad Gita, burned incense and learned Rolling Stones tunes. Then there were some guitar and back-up vocal gigs. She worked with the groups Moor Murders and Masters of the Backside. Fired from the latter, without working papers, she met some guy in a pub

who asked her to write for the rock magazine New Musical Express. "Why not?" she thought. "I like to shoot my mouth off."

That's an understatement. She speaks more like a blast-off. She began to write what Rolling Stone called "savagely satirical reviews" for the NME. "As a kid reading the rock press I had always assumed these people must be experts. I assumed they were qualified to write." British argot is sprinkled through frenetic Ohio punctuation: "But I sussed out they were just people with opinions. They knew nothing about music, they weren't even clever. They wrote about themselves, or about what the musicians were wearing. I was shocked and discouraged."

However this is a woman not easily discouraged. "I couldn't really play guitar at the beginning. All I had was my attitude." She wrote songs and practiced chords, dynamics and timing while casting players for the band forming in her head. She learned how to hook the media with hot quotes. In 1980, the Pretenders' first album went to No. 1 in Britain.

In the last two years, she had a baby and fired her boss player who later died of drug abuse; her guitar player died ditto; she put together a new band and recorded a hit album. The Pretenders' current tour of New Zealand, Australia, the United States and Europe began nine months ago and they found time somewhere to record "Roomful of Mirrors" by Jimi Hendrix, a hero of hers.

"I have tons of heroes. Brigitte Bardot is a hero of mine, so is Iggy Pop. When I say heroes, I may not take my coat off and throw it over a puddle when they walk by, but once they've won my respect they stay my heroes even if they do some bad work or get strung out."

It's impossible to avoid the subject of drugs with this band. Far from reluctant, Hynde shot back an analysis: "The kid who's been playing clarinet since the age of eight is probably something of a loner. He's sensitive, inquisitive, more inclined to give in to the temptation to experiment with things like mysticism and drugs. It's harder and harder for kids like this to escape from



Chrissie Hynde: "Tons of heroes."

American suburbia, to develop their own personality. Everything is so standardized and commercial. They can relate to the sort of outlaw appeal of a Keith Richards. That's too bad. I just lost two of my closest friends. Drugs are a sloppy way of life."

Is it any better in British suburbia? "America is so big and impersonal. In England, a kid watching Top of the Pops can see a band from his home town of Birmingham. Maybe his cousin's in the band. Or, like Madness lives just down the street in Kentish Town from where I live. The British charts are much more open to new groups. But if you live in Akron you can't really relate to L.A. It goes hand in hand with so many things."

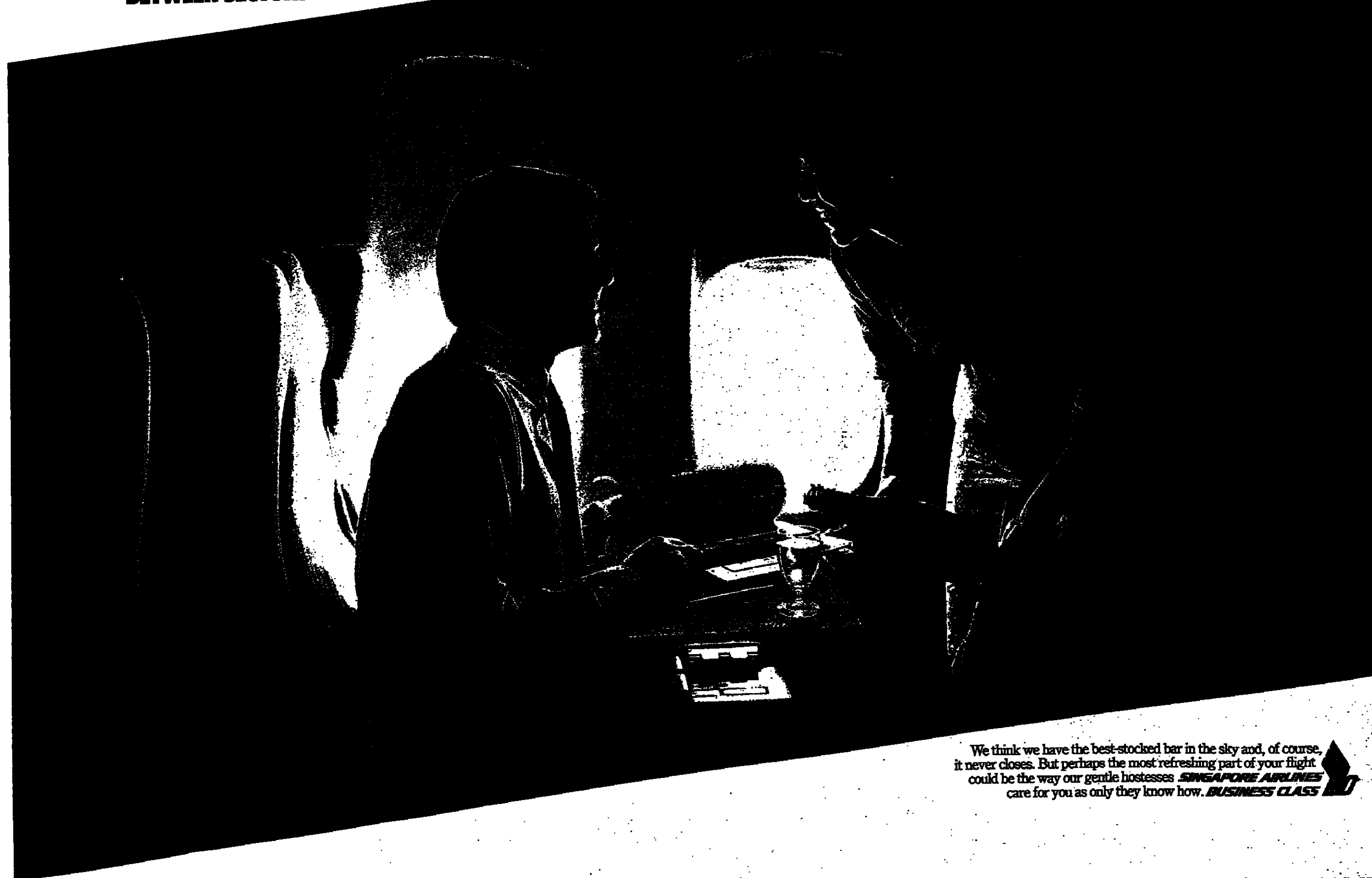
"It all started going downhill when they closed the railroad stations. That symbolized the end of civilization over there. I wrote a song 'My City Is Gone,' in which I go back to Akron and there's no railroad station, no downtown, no city. My idea of a good day includes being able to nip out and

walk to the corner to buy a newspaper and sit down on a park bench and read it. Did you know that there are no parks in Cleveland? Nobody walks there. I don't want to sound like an Anglophile snob and say Americans don't have a clue, but basically they don't. Americans can't even make a decent cup of tea."

"The music business in America is all merchandising. But we make the music we like. It's basic rock, we don't use any tricks. That sets us apart these days. Funny, it's become abnormal to be normal. Somehow, we haven't had to pander. Maybe it's because we're basically an English band which is considered rather hip. And people in America think of me as the girl who went away and made good. I'm sort of the prodigal son."

The Pretenders: Zurich, May 31; Milan, June 1; Rome, June 3; Nice, June 6; Montpellier, France, June 7; Lyon, June 8; Lausanne, Switzerland, June 9; the Netherlands (Pink Pop Festival), June 11; Paris (Zenith), June 12; Brussels, June 13; Belfast, June 16; Dublin, June 17.

'THERE WAS A
REFRESHING FLOW OF LIQUIDITY
BETWEEN SECTORS'



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By David A. ...

INSIGHTS

Honorary Degree: U.S. Answer to Honors List

By Edward B. Fiske
New York Times Service

NEW YORK — James E. Burke, the chairman of Johnson & Johnson, bowed his head before 9,100 graduates of Rutgers University last week as the registrar and gonfalonier placed an academic hood with a scarlet lining and white trim around his shoulders.

The scarlet symbolizes Rutgers and the white represents arts, letters and humanities. The ritual means that Mr. Burke now possesses an honorary doctor of humane letters degree for being an "astute entrepreneur and energetic proponent of corporate civic duty."

Mr. Burke is one of an estimated 5,000 honorary degrees being awarded by colleges and universities around the United States this commencement season, perpetuating a tradition almost as old as higher education.

The degrees are viewed not only as a means of honoring outstanding achievement but also of providing inspirational models for the students, publicity for the institution and encouragement for the fields of specialization.

The way a college hands out honorary degrees, said Eli Schwartz, who headed the committee on these awards at Lehigh University in Pennsylvania, "says a lot about an institution and what it's trying to strive for in its character and quality."

Jack W. Peltason, chancellor-elect of the University of California at Irvine, who is president of the American Council on Education, said: "The Greeks had their laurel wreaths. The English have their honors list. The French are always wearing ribbons in their lapels. In this

country honorary degrees from universities serve that function. It's our way of honoring accomplishment."

THE tradition of awarding degrees for reasons other than academic has occasionally been criticized.

After hearing that Harvard gave an honorary degree to the Marquis de Lafayette, Baron Friedrich von Steuben reportedly urged troops under his command in the U.S. Revolution to ride through Cambridge "like the devil, for if they catch you, they make a doctor of you."

Most Americans, however, are pleased to receive an honorary degree. At a time of much talk of the decline of heroes in modern society, colleges are as enthusiastic as ever about singling out accomplishment.

The practice in the United States dates to 1682, when Harvard conferred a doctor of sacred theology degree on its president, Increase Mather, for the pragmatic purpose of elevating the status of the college to that of a university. The operating academic principle was that "only a doctor could create a doctor," and there were no other doctors in the colonies.

Today colleges give degrees for achievement in virtually every field of endeavor. "We try to get a balanced ticket," Mr. Schwartz said. "We might try to balance the degrees among a distinguished engineer, a humanist, a successful businessman, someone devoted to Lehigh and the speaker."

Many of the earliest honorary degrees were given by colleges to their own faculty members to increase the institution's academic prestige, and colleges continue to give awards in areas of their own academic strength.

This month Ithaca honored Gavin MacLeod, who plays the ship captain in a U.S. television series, "The Love Boat." He is an Ithaca drama graduate. Born Allan G. See, he took his professional name from Beatrice MacLeod, one of his professors.

BERLIN College in Ohio, which has a strong music program, honored the Japanese music teacher, Shinichi Suzuki, while Syracuse University, which is proud of its school of public communications, is giving one to TV anchorman Dan Rather.

"Our students come from different income groups, and to see successful people is a big thing," said Donna Shalala, the president of Hunter College in New York City. "They are not cynical about it. We work very hard on the citations... and the students listen very carefully."

Until this century, women rarely got honorary degrees, but now women's colleges make a point of honoring women. "I can't think of a better way to illustrate our collective ambition for women than to shine the spotlight on a few of the very best," said Mary S. Metz, the president of Mills College in California.

Honorary degrees also offer colleges the opportunity to make a statement.

Yeshiva University in New York City usually includes a person connected in some way to Israel, while Georgetown University confers degrees every year on two teachers from high schools that have sent it students. "It's our way of saying how much we value what they do," said the Rev. Timothy S. Healy, Georgetown's president.

The possibility of reflected glory plays a role. There is an adage of honorary degrees that says you go with the biggest name you can get, according to Rhoda Dorsey, the president of Goucher College in Maryland.

Big schools tend to have an advantage in attracting the famous, but the small ones can be ingenious. The Southampton Campus of Long Island University, for example, has given awards to Charles Addams, a cartoonist, and the writers Tom Wolfe, Budd Schulberg and George Plimpton, and other celebrities.

HONORARY degrees also offer colleges and universities a chance to thank their friends. The State University of New York Center at Buffalo honored William C. Baird, who, along with other members of his family, has long been associated with the institution and who, this year, set a university record by giving \$1.1 million for a new research laboratory.

This year Fordham honored Representative Mario Biaggi, the Bronx Democrat who has been instrumental in helping the university build 115 units of housing for the elderly and handicapped on land adjacent to its campus in the Bronx.

Sometimes the contributions being recognized come in forms other than service or money. Five years ago Lehigh awarded degrees to Mr. and Mrs. William G. Succop for "sharing with us for awhile your greatest treasure, your children." Seven of their children attended Lehigh.

The financial relationship with honorary degrees is tricky. Most college or university presidents are sensitive to accusations that degrees

can be purchased with contributions. "You can buy a bridge," said Dr. Shalala. "You can't buy an honorary degree."

On the other hand, Harold M. Proshansky, the president of the Graduate Center of the City University of New York, said: "If someone gave us \$5 million, we would think about how to give them an honorary degree. It has not happened, though, and it won't."

Colleges differ in their policies toward honorary degrees. Purdue University confers them only on distinguished members of its alumni such as the astronaut, Neil Armstrong. The only exception was made when a U.S. State Department official, escorting a Middle Eastern dignitary on a tour, publicly offered him a Purdue degree and the university bent its rules to uphold what it considered to be an official promise.

Lawrence University in Wisconsin only offers honorary degrees to those who have not received one from another institution. Some colleges make a point of faring out deserving candidates who might not otherwise be in the public eye. The University of Notre Dame gave one this year to Dr. Jorge Prieto, a Mexican-American who has worked for many years in the family medicine department at Cook County Hospital.

MANY keep the names of the recipients secret until the last minute. "We're all standing around the lobby of Nassau Hall in our caps and gowns, and then famous faces start to appear. It's all very exciting," said a faculty member at Princeton. Among the famous faces to appear have been those of the mine, Marcel Marceau; the tennis star, Arthur Ashe, and Senator Bill Bradley, Democrat of New Jersey.

Most schools look for some personal connection between the individual and the institution. Allegheny College seeks regional links to western Pennsylvania, and this year it honored David McCullough, author of "The Johnstown Flood."

Columbia University in New York City has hewed to the rule of only awarding honorary degrees in person, but it has sometimes done the traveling. Michael I. Sovern, the university president, went to South Africa in 1982 to bestow one on Bishop Desmond Tutu of Lesotho, whose passport had been revoked for political reasons. Previous Columbia officials bestowed degrees on a shirtless Abraham Lincoln at the White House in 1861 and on Justice William O. Douglas at the U.S. Supreme Court in 1979.

Honorary degrees often are used for political statements. This year Yeshiva will honor the imprisoned Soviet dissident, Anatoli B. Shcharansky, because his name "has become synonymous with the call for religious perseverance and human freedom." The award, Yeshiva's first in absentia, will be accepted by the dissident's wife.

Fordham has bestowed one in absentia on Lech Walesa, the leader of Poland's Solidarity movement, while Hunter College is honoring Dr. Mamphela Ramphele, a South African black whose banishment to a remote South African area was only recently lifted. "We searched a long time for a woman from South Africa," Dr. Shalala said. "We wanted to make a statement about discrimination and apartheid."



The exiled Soviet author, Alexander Solzhenitsyn, left, receives the hood of a doctor of humane letters at Holy Cross University in Worcester, Massachusetts.

Partisan politics often impinge on the process. John Quincy Adams protested vehemently against Harvard's awarding of a degree to President Andrew Jackson. The president of the university responded that, while he agreed that Jackson was "utterly unworthy of literary honors," Adams should understand that the honor was "due the station, by whomsoever it was occupied."

WILLIAM Guggenheim expressed shock that the University of Pennsylvania would use its bicentennial in 1940 to give an honorary degree to Franklin D. Roosevelt, adding that the "vast majority of our 40,000 or more alumni who are Wilkie-for-president men will be equally so."

"We usually steer clear of active politicians," said Sharon Wilson, the associate secretary of Yale. The recipient has to be far away, she added. Three thousand miles is apparently fine. Yale's list includes Mayor Thomas Bradley of Los Angeles.

Some of the United States' most distinguished institutions, such as Bryn Mawr and Vassar, decline to give honorary degrees. Andrew Dixon White, the first president of Cornell, opposed the practice but agreed to accept a degree from his successor, Charles Kendall Adams. This aroused a furor among alumni and faculty members. Cornell has avoided the practice since.

Private colleges tend to give more honorary degrees than public ones. The State University of New York gave none until 1981, when it decided, according to Donald D. O'Dowd, the

executive vice chancellor, that "we were missing the opportunity to honor the university by honoring fine people."

Virtually every prominent U.S. citizen in fields such as education, the arts, science and politics receives an honorary degree somewhere along the line. The champion is the Rev. Theodore M. Hesburgh, president of Notre Dame since 1952 and a longtime member and chairman of the U.S. Civil Rights Commission. In what he called "one of the few secrets that has been kept around here in my 32 years," he was awarded his 100th degree this year by his own institution.

ACCORDING to Norris McWhirter, editor of the Guinness Book of World Records, two years ago Father Hesburgh surpassed Herbert Hoover, who accumulated 89. The previous record holder was Nicholas Murray Butler, the educational reformer and president of Columbia, who had at least 38.

Father Hesburgh said he adopted the practice of giving to local alumni associations any honorariums he got for speaking. "I tell them that this ought to take care of my dues for life," he said.

One gift that goes to all honorary degree recipients is the silk hood with the colors of the conferring institution and the relevant academic discipline. These can begin to take up closet space, but Dr. Shalala, who has about 10, borrowed an idea from Robert Frost.

"I'm saving them up to make a patchwork quilt," she said.

Soviet Jews Struggle to Adjust to Israel

In the Promised Land, Immigrants Face Professional, Political Dilemmas

By David K. Shipler
New York Times Service

BEERSHEBA, Israel — More than a decade after the Soviet Union began to permit significant emigration to Israel, many of the 165,000 Soviet Jews who have made the difficult journey are still struggling to find their places in Israeli society.

They have come from all walks of life — from professors in prestigious Soviet universities and from jobs in grimy factories, from urban culture and from rural mountain towns. Many were Communist Party members; few were religiously observant.

Most have now raised the material status of their lives, studies show, and many, though not all, have transferred easily into satisfying professions. Some have happily embraced Orthodox Judaism, others have found contentment in

body to take care of them," he said. "Because they came from the Soviet Union and are used to being told what to do, they are not used to taking care of themselves."

In addition, Mr. Ulanovsky said, "Because they come from a place where Jews have special relations with each other, they expect the same here. But they are not treated as brothers who returned to their home. They are just treated like anybody else."

MANY new arrivals step down in their professions, especially those in the humanities. Scientists find it easier to transfer their skills to Israel.

"By Israeli standards they're really blended in very well," said Edith Frankel, director of the Soviet and East European Research Center at Hebrew University in Jerusalem. But scholars have trouble, she added.

"They don't have the same type of jobs that

immigrants report that all their close friends are Russian-speakers."

Especially insular are Jews from traditional cultures in Transcaucasia and Soviet Central Asia, who often express disappointment in the predominantly secular, modern and sexually permissive society they confront.

One study for the Ministry of Immigrant Absorption found that immigrants from Bukhara, in Soviet Central Asia, resented Israelis "for having demigrated their most important values, such as female sexual modesty and respect for parents and the elderly." Many were afraid of negative Israeli influence on the women and children in their families.

THE latest wave of emigration of Soviet Jews began shortly after the 1967 Arab-Israeli war, when Israel's lightning victory stirred a new pride in embracing a Jewish heritage. The Soviet authorities, dealing in the context of tentative internal liberalization and the initial move toward détente with the United States, began to permit significant numbers of Jews to leave in the early 1970s.

Despite harassment of many who applied for visas — including dismissals from jobs, repeated interrogations and some cases of imprisonment — about 265,000 Jews emigrated, about 100,000 of whom went to the United States. Since 1980, the Soviet authorities have gradually cut the flow to a trickle, and now only several dozen leave each month.

The emigrants have made considerable impact in the worlds of music and mathematics. Soviet musicians have joined Israel's two symphony orchestras and chamber orchestra, and the arrival of prominent scientists has improved Israeli teaching and research capacity in some fields, according to Yuval Neeman, minister of science and technology.

He said that among the scientists, the mathematicians have been the most influential, allowing the creation of an additional mathematics faculty. In engineering, he said, the Soviet emigrants have become important in manufacturing, including some military industry.

ALMOST none have chosen the communal life of kibbutzim, and few have entered politics, except at the extreme right, most notably in Mr. Neeman's Tzohar Party and in Gush Emunim, the militant nationalist settlers' movement on the occupied West Bank.

In the 1981 election for Israel's parliament, a list of Soviet emigrants was entered, campaigning on the theme of increasing Israeli governmental activism on behalf of Soviet Jews wanting to emigrate. But the slate received only 7,000 votes and did not win a seat.

"People come from Russia, where there are no parties, no demonstrations — they don't know the ABCs of political life," said Ilya Zemtsov, a sociologist and former Communist Party member who immigrated in 1973 and now heads the government-supported Israel Research Center of Contemporary Society.

Woven into the education of Soviet Jews about Israeli politics is a concern for the country's lack of unity and need for spiritual revival. "People in Israel turned out to be much less idealistic than I expected them to be," Mr. Ulanovsky, the biophysicist, said. "That was a surprise. I expected high moral purpose. But of course people are selfish, everyone battling for himself, for his own interest. So I think the main problem for Israel is not the Arabs, but the Jews. The main problem is how to regain the spirit."

"Because they come from a place where Jews have special relations with each other," Mr. Ulanovsky said, "they expect the same here. But they are not treated as brothers who returned to their home. They are just treated like anybody else."

secularism. The vast majority are glad they came; 78 percent of a sample studied several years ago said they would recommend that relatives come from the Soviet Union to Israel, and 16 percent would advise against it.

But spiritually and emotionally, those interviewed say the adjustment to a new culture has been hard.

Although the newcomers have found freedom of religion and speech in Israel and escape from the anti-Semitism they often encountered in the Soviet Union, they have had to face other problems.

In addition to learning a new language, Hebrew, many have had to accept less rewarding jobs than they had in the Soviet Union, and they have also had to cope with a different structure of relationships between the individual and government.

MANY Soviet emigrants say they are disturbed by Israel's free-wheeling democracy and its angry public debate. They see it as divisive, a mark of weakness.

"People come with their baggage of knowledge, intelligence, and they see things as black and white," said Vadim Orlovsky, a construction engineer from Moscow who is employed at the Dead Sea Works, near Beersheba in the Negev Desert.

"There are many psychological problems," he added. "People come and have to change their mentality. Israeli democracy is such that a lot of Russian immigrants say, 'It's not a democracy, it's a mess.'"

Many new arrivals are offended when the Israeli government does not provide them with apartments and jobs, as the Soviet government does. "People come here with too many expectations," said Lev Ulanovsky, 33, a doctoral candidate in biophysics at the Weizmann Institute in Rehoboth. Before arriving from Moscow in 1979, he was a dissident Hebrew teacher and activist in the emigration movement.

"People come here and really expect some-

Face the facts.

NMB BANK's key figures as at 31 December 1983
(in millions of Dutch guilders - 1 US\$ = Dfl. 3.06).

Balance sheet total	Dfl. 63,323
Total deposits	Dfl. 60,838
Lending	Dfl. 40,681
Total shareholders' equity and subordinated loans	Dfl. 2,372

Some highlights from our 1983 Annual Report (26th financial year):

• The balance sheet total increased in 1983 by 6% to more than Dfl. 63 billion.

• Lending increased by 7% to more than Dfl. 40 billion from Dfl. 38 billion at the end of 1982. This increase is largely attributable to the growth of our foreign loan portfolio.

• International business today accounts for 36% of the balance sheet total; our foreign loan portfolio increased by more than 20% as compared to the end of 1982.

• NMB BANK has 469 branches in the Netherlands, as well as branches, subsidiaries and representative offices in London, Paris, Zurich, Geneva, New York, Chicago, Los Angeles, Mexico City, Curaçao, Caracas, São Paulo, Montevideo, Hong Kong, Singapore, Tokyo and Bahrain.

• Thanks to recent acquisitions in Hong Kong, Singapore and Tokyo, our position in the Far East will be further reinforced in the course of 1984.

• Revenue from stock exchange business grew to an all-time high, thanks to substantially increased activity in the field of securities trading, options and new issues.

• Eurocurrency deposits accounted for 20% of the balance sheet total.

For a copy of our 1983 Annual Report, please contact either your nearest NMB BANK office, or NMB BANK Amsterdam, P.O. Box 1800, telex 11402.

NMB BANK London branch/Licensed Deposit Taker, 2, Copthall Avenue, London EC2R 7BD, U.K. Telephone: (01) 6285311, telex: 8956217 nmbln g. Eurocurrency deposits and foreign exchange telephone: (01) 6285831, telex: 8956264 nmbln g.

NMB BANK New York branch, 450, Park Avenue, New York, N.Y. 10022, U.S.A. Telephone: (212) 7157300, telex: 428379. Foreign exchange telephone: (212) 7582929, telex: 640646.

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NYSE Most Actives									
Symbol	Vol.	High	Low	Open	Close	Change	1-Month	3-Month	YTD
IBM	1,200,000	120 1/4	119 3/4	119 3/4	120 1/4	+1/4	+	+	+
AT&T	1,100,000	44 1/4	44 1/8	44 1/8	44 1/4	+1/8	+	+	+
GE	1,000,000	28 1/4	28 1/8	28 1/8	28 1/4	+1/8	+	+	+
AMER	900,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	800,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	700,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	600,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	500,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	400,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+

Dow Jones Averages									
Index	Open	High	Low	Close	Change	1-Month	3-Month	YTD	52-Week
Indust	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Comp	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Trans	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Chem	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Comm	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Health	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Pharm	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Food	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Auto	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+

NYSE Index									
Index	Open	High	Low	Close	Change	1-Month	3-Month	YTD	52-Week
Indust	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Comp	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Trans	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Chem	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Comm	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Health	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Pharm	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Food	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+
Auto	1,198.47	1,200.00	1,195.00	1,198.47	+0.00	+	+	+	+

NYSE Diaries									
Index	Open	High	Low	Close	Change	1-Month	3-Month	YTD	52-Week
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AMER	700,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	600,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	500,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	400,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+

NYSE Falls to a 15-Month Low

NEW YORK — The New York Stock Exchange fell to a 15-month low in slow post-Memorial Day trading Tuesday.

Many analysts believe the market is getting close to a bottom in a slide that began after the first week in January. But traders continue to be restrained by high interest rates.

The Dow Jones industrial average, up nearly 4 points at the outset after gaining 3.67 Friday, surrendered 5.86 to 1,191.24, the lowest level since it finished at 1,096.94 Feb. 23, 1983.

The Dow, which lost 26.69 last week, had been down 10.89 to 1,096.21 before recovering. Several analysts said the 1,100 line is important psychologically to investors and that a selloff could occur if it closes below the line.

Declines led advances 1,041-497 among the 1,963 issues traded.

The Big Board volume of 69 million shares, down from 78.2 million Friday, was the slowest since 64.9 million changed hands May 14.

"I think there is a buyers strike among institutional investors," said Michael Metz of Oppenheimer & Co. "Some are fleeing to the safety of short-term Treasury notes."

Mr. Metz said all signs point to a "bear market" syndrome and "that's the reason I think the market is going to hit its low mark and make a major turn upward in the near future."

But other experts believe that the Dow Jones industrial average will fall to the 1,050 to 1,070 level before the market reaches a bottom. Also, the bond market, which has set the pace for stocks, moved lower.

Revolon, mentioned in takeover speculation recently, was the most active NYSE-listed issue, off 1/4 to 37 1/4.

Some analysts have downgraded the stock.

Superior Oil, which is being bought by Mobil Corp., was second on the list, off 1/4 to 41.

Continental Illinois, a 3-point loser last week, was third, up 1/2 to 8 1/4. Continental is attempting to lure certificate of deposit customers back into the fold by offering bonus interest payments.

Walt Disney, which climbed 3 1/4 Friday, was fourth on the list, off 1/4 to 64 1/4. Investor Saul Steinberg said he would try to oust Disney management in a proxy fight.

Trendsetting IBM lost 1/2 to 106 1/4. AT&T, another blue chip, eased 1/2 to 15 1/4. General Electric lost 1/4 to 51.

Denny's Inc. was ahead 2 1/2 to 35 before trading was halted. Denny's said it would make a "significant" announcement early Wednesday.

Teledyne spurted 4 1/4 to 200. Teledyne said 8.7 million shares have been tendered under its offer to buy back 5 million of its own shares at \$200 each.

Commodore International lost 3 to 24 1/4 in active trading. The company had no comment on the drop in its stock.

Longs Drug Stores, which reported first-quarter earnings of 80 cents a share, up from 75 cents year earlier, lost 2 1/4 to 35 1/4.

Scot 1 1/4 to 52 1/4. The company rejected a revised buyout bid from investor Ivan Boesky and instructed First Boston to seek another buyer.

Amerace Corp. lost 2 1/4 to 45. Boesky bought a 5.7 percent interest in the company.

NYSE Most Actives									
Symbol	Vol.	High	Low	Open	Close	Change	1-Month	3-Month	YTD
IBM	1,200,000	120 1/4	119 3/4	119 3/4	120 1/4	+1/4	+	+	+
AT&T	1,100,000	44 1/4	44 1/8	44 1/8	44 1/4	+1/8	+	+	+
GE	1,000,000	28 1/4	28 1/8	28 1/8	28 1/4	+1/8	+	+	+
AMER	900,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	800,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	700,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	600,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	500,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	400,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+

NYSE Most Actives									
Symbol	Vol.	High	Low	Open	Close	Change	1-Month	3-Month	YTD
IBM	1,200,000	120 1/4	119 3/4	119 3/4	120 1/4	+1/4	+	+	+
AT&T	1,100,000	44 1/4	44 1/8	44 1/8	44 1/4	+1/8	+	+	+
GE	1,000,000	28 1/4	28 1/8	28 1/8	28 1/4	+1/8	+	+	+
AMER	900,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	800,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	700,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	600,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	500,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	400,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+

NYSE Most Actives									
Symbol	Vol.	High	Low	Open	Close	Change	1-Month	3-Month	YTD
IBM	1,200,000	120 1/4	119 3/4	119 3/4	120 1/4	+1/4	+	+	+
AT&T	1,100,000	44 1/4	44 1/8	44 1/8	44 1/4	+1/8	+	+	+
GE	1,000,000	28 1/4	28 1/8	28 1/8	28 1/4	+1/8	+	+	+
AMER	900,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	800,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	700,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	600,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	500,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+
AMER	400,000	15 1/4	15 1/8	15 1/8	15 1/4	+1/8	+	+	+

U.S. Stocks
Report, Page 8

WEDNESDAY, MAY 30, 1984

INTERNATIONAL MANAGER

Shorter-Workweek Debate
Is Heating Up in Europe

By SHERRY BUCHANAN
International Herald Tribune

PARIS—The Swiss distinguished themselves from the rest of Europe a few years ago by voting against a reduction in the workweek to 40 hours from 42. Switzerland is now the only European country that works 42 hours a week on average. All other European countries, including Spain, which went from 45 to 40 hours after Franco's death in 1975, work an average of 40 hours or less. Belgium has the shortest average workweek, at 37 to 38 hours.

In the past, once unions in one country started pushing for and getting a shorter workweek, other European countries followed. Switzerland was the exception that confirmed the rule. The same thing could happen again. The question is whether next year's round of wage negotiations will focus on demands for a 35-hour week.

The current West German metalworkers' strike over demands for a 35-hour week has already had repercussions in France. Prime Minister Pierre Mauroy has suddenly rediscovered the electoral appeal of a 35-hour week and in a move last week that touched off a heated political debate, renewed his proposal for shorter hours. French unions are now making private noises about taking industrial action similar to that by West German unions.

Unions in Austria, Denmark, Britain, Luxembourg and Belgium have all been pushing for a 35-hour week for some time. Belgian unions want legislation for a 37-to-38-hour week first and then will ask for 35 hours.

In Italy, Spain and Sweden, unions have concentrated on wage demands rather than on a reduction in the workweek. They say that the outcome of the German strike will, if nothing else, renew the debate in their own countries.

In 1983, Italian unions negotiated an increase in vacation time, but no significant reduction in the workweek. The agreement expires at the end of this year.

"My impression is that the problem of the reduction in the workweek will be taken up again," says Giacomina Cassina, of CISL, one of the three main Italian labor union federations. "I can't say if it will be the 35 hours. Unless there is a specific and generalized claim, it is difficult to envision any kind of industrial action. There is no movement toward anything like that now." The Italian unions' priority this year has been to fight the government's demand for an end to wage indexation to inflation. The Swedish Metalworkers Union has pursued a policy that would increase real wages and decrease working time for workers who need it the most, those on continuous shifts for example.

"At present we are not pushing for a general reduction in working hours to 35 hours," says Mats Johansson, of the Swedish Metalworkers Union. "Our members say that the important thing is to win in real wages. It is more important than working hours reduction."

In Spain, unions are still fighting for the 40-hour week. Over the past five years, Spain has gradually reduced the workweek from 45 to 40 hours. But, because the reduction was negotiated on an annual rather than a weekly basis, employers will not pay overtime if a worker works 42 hours one week and 38 the next.

If the West German unions win, it could change pressure politics at the European Community in Brussels. Right now, France, the Netherlands and Belgium already have shorter workweeks than their competitors in the EC. It is in their interest that everybody else gets a shorter week as well. If West Germany goes to a 39-hour week, for example, the West German government might join France, the Netherlands and Belgium in their demand for a European-wide shorter workweek. This would leave the British government isolated on the issue.

The unions are selling the 35-hour week as a cure for unemployment. But there is no hard evidence that a reduction in the workweek actually creates jobs or even saves jobs on a national scale. Statistics are hard to come by. And case-by-case results are contradictory.

"That's the funny thing," says Giacomina Cassina of CISL. "Results are very different. Union-backed studies argue that the reduction in the workweek creates or saves jobs. Employer studies have opposite findings."

Mr. Johansson says, "As far as we can see, the reduction in the workweek hasn't resulted in any major changes in the level of employment in Sweden. Especially in the manufacturing sector,"

(Continued on Page 11, Col. 3)

There is no hard evidence that cutting the workweek creates or saves jobs.

Volvo Had Profit Leap In Quarter But Revenue Slipped by 8%

Juris Kaza

GOTHENBURG—AB Volvo, citing higher car sales, reported Tuesday that its first-quarter pre-tax earnings more than doubled from a year earlier, although sales declined 8 percent.

Volvo, an automotive, energy and food group, reported that profit rose to a record 2.6 billion kronor (\$302 million), or 34.40 kronor a share, from 1.03 billion kronor, or 15.40 kronor a share, a year earlier.

Sales fell to 21.69 billion kronor from 23.63 billion kronor. The company said that 85 percent of sales were outside Sweden.

Volvo's board chairman and chief executive, Pehr G. Gyllenhammar, said the higher earnings came mostly from Volvo's passenger-car sales and reflected a return to profit by the group's energy operations. Car sales rose 34 percent to 8.29 billion kronor.

Volvo said that the lower total revenue reflected a sharp 40-percent revenue decline by Volvo's energy subsidiaries, mainly STC Scandinavian Trading Co. Sales of the energy units totaled 6.9 billion kronor.

STC reported first-quarter profit of 35 million kronor late last week, and said it was selling Scanditrol, its U.S. oil- and gas-exploration company, to Bankers Trust Co., a U.S. creditor, for a token \$1.

Sales of trucks rose 51 percent, to 3.57 billion kronor, and Volvo noted that "the upturn was particularly striking in the United States." Mr. Gyllenhammar said that Volvo's U.S. heavy-truck subsidiary, Volvo White Motor Inc., "is making a profit."

Sales of Volvo units other than energy rose an average 31 percent, Volvo said.

Mr. Gyllenhammar said that Volvo's first-quarter results did not include capital gains from the recent sales of Volvo's holding in Consafe, the offshore-services group, in Sonesson, the light-industry group, and the planned sales of Volvo's 25-percent holding in Stora Kopparberg AB, a forest-products concern, and Atlas Copco AB, a mining-equipment company.

Analysts responded favorably to Volvo's first-quarter results. Brian Knox, a specialist in Scandinavian shares at London's Greaveson Grant, called the earnings "quite respectable." He said Volvo's earnings for all 1984 "could reach 7 billion kronor rather than the 6 billion we have been looking at."

Volvo's managing director, Hakan Frimberger, predicted that Volvo's car sales in the United States would reach about 100,000 cars in 1984. He said that if stricter U.S. content legislation applying to automobile manufacturing was passed, "we have some thought on measures to take." However, he refused to elaborate on whether Volvo might open an auto-production facility in the United States.

Volvo's passenger-car deliveries in the first quarter totaled 95,000 units, up from 81,000 a year earlier. Truck deliveries were also sharply higher, Volvo reported, but it did not give precise figures.

Software Winners Increase Lead

Early Marketers Leapfrogged By Newcomers

By David E. Sanger

New York Times Service

ATLANTA—On the first night of Comdex, the personal computer industry's premier trade show here, most of the scores of software companies showing their wares held staid receptions for their biggest customers at the major hotels.

But those receptions ended early, and no sooner were they over than executives left their own parties and hurried over to a much bigger, flashier event held by a competitor, Lotus Development Corp., maker of the enormously successful 1-2-3 financial-analysis package, had taken over the Fox Theater, a local landmark, hired the Tommy Dorsey Orchestra and set up a dessert table and bar that ran the width of a good-sized ballroom.

"I hate to admit it, but these guys are winners," said the chief executive of a major competitor as he pushed his way off the dance floor at about midnight. He asked not to be named because of his own stockholders' reaction.

In fact, a handful of winners had emerged in the burgeoning but cutthroat market for personal-computer software, and the gap between them and the rest of the industry is rapidly widening.

Some, like Lotus and Ashton-Tate, maker of the leading program for keeping track of complex lists and data bases, have engineered their way to the top with a combination of technological advances and expensive, skillful marketing techniques.

Others, like Microsoft Corp., Digital Research Inc., and Micro International Corp., have held on to early leads forged when quality in personal-computer programs was still scarce. Microsoft, in particular, has worked hard to turn out programs for Apple Computer Inc.'s new Macintosh model. But numerous companies that



A representative of Ashton-Tate demonstrating Frame-work, a new software product, at the Atlanta trade show.

have jumped into what many consider the most lucrative part of the microcomputer industry, with sales of more than \$1 billion a year, are finding matters increasingly desperate.

Many have been leapfrogged by competitors; many more find the industry is so crowded that it takes upward of \$10 million in advertising and marketing costs to make sure that news of a new product can be heard above the din of dozens coming onto the market each week.

Several of the early leaders have announced major layoffs in recent weeks to cut costs. The latest was last Thursday when VisiCorp, marketer of the first popular electronic spreadsheet, reduced its staff 20 percent. Rumors abound of mergers, and some analysts say they expect a price war to break out among manufacturers still selling first-generation "office productivity" programs, primarily for word processing and financial analysis.

"Two years ago, everyone had a chance to be one of the top five software companies," said Egi Juhlussen, chairman of Future

Computing Inc., a market research firm based in Richardson, Texas. "Now only about 15 have that chance." When the smaller companies fail, he said, "hardly anyone will notice."

But their departure will mark a major change in the industry. The largest computer and book-publishing companies are now muscling their way in, and only they and the established software companies have access to the shelf space and resources it takes to make most products successful.

Most prominent among the new software giants is International Business Machines Corp. (Continued on Page 11, Col. 1)

The Largest Makers of Business Software For Microcomputers

Company	1983 Revenue (\$ millions)
Microsoft	500
Lotus	350
Ashton-Tate	250
VisiCorp	200
Digital Research	150
Int'l Business Machines	100
Software Publishing	80
Parsons Technology	70
Parsons Technology	60
Parsons Technology	50

Chrysler Negotiates for Big Credit

Compiled by Our Staff From Dispatches

DETROIT—Chrysler Corp. said Tuesday that it is negotiating with a number of banks to set up a line of credit, which a company official said would be the next step on the automaker's "return to normalcy."

A Chrysler vice president, Baron Bates, said no agreement has been reached with the financial institutions on the credit line. But sources close to the negotiations indicated the talks are nearly complete.

They said the amount would be \$700 million to \$800 million and come from a syndicate of banks mainly in New York. Reportedly, Chrysler originally sought \$500 million, but response from the banks was so favorable that the amount was increased.

Mr. Bates would not comment on specific figures, saying establishment of a line of credit depends on "how much we want to offer, and how much we want to accept." Chrysler could draw from the

credit line whenever it wished to finance an investment or project, Mr. Bates said.

"This would definitely be another step on the return to normalcy for Chrysler, and it obviously would give the company greater flexibility," said Mr. Bates.

The Chrysler official declined to speculate on what the money would be used for, but the No. 3 U.S. automaker has been actively involved in joint-venture talks with the Japanese automaker Mitsubishi.

Chrysler also plans to add a second plant to produce its hot-selling minivans, which are sold out for the next six months. Conversion of the Windsor, Ontario, plant where the vehicles are built cost \$400 million.

Establishment of a credit line would follow by about a year the paying back by Chrysler of \$1.2 billion in federally backed loans. Chrysler borrowed the money four years ago when it was close to bankruptcy.

At one time, the automaker had total debts of \$1.6 billion. Mr. Bates said the automaker currently has no bank debt.

"After five years of turmoil, this is going to be a huge step forward," Mr. Bates said.

He noted that earlier this year Chrysler paid back another \$400 million in loans.

The rating service Standard & Poor's last week raised Chrysler's rating on senior long-term debt from triple C to B-plus and the rating on subordinated long-term debt from triple C to B.

Wall Street analysts estimate that by the end of the year, Chrysler will have more than \$2 billion in cash on hand and will have turned a 1984 profit of more than \$2 billion, by far a record for Chrysler.

The interest rate on the credit will be pegged to the prime rate at the time of the loans, sources said. (UPI, AP)

U.S. and Japan Outline Steps For Freer Yen

By William Chapman
Washington Post Service

TOKYO—The United States and Japan Tuesday announced a package of financial-liberalization steps that goes part of the way toward opening Japan's capital markets but leaves several U.S. requests unmet.

The package provides for more access by foreigners to Japanese currency and for steps that would make the yen more of an international currency.

It will give U.S. banks the right to enter Japanese commercial banking and greater access to yen savings in Japan, and it offers the first limited steps toward a broader European market for both foreign and domestic currencies.

But the proposals outlined here and in Washington make only modest advances toward the liberalization of Japanese interest rates, a crucial U.S. request over months of sometimes angry negotiations.

Opinion was divided in Japan over whether the package would achieve the main purpose desired by the Reagan administration—a strengthening of the value of the yen, which, in turn, would tend to curb the flow of Japanese exports that have piled up record trade surpluses this year.

Some sources, including one official of Japan's Finance Ministry, said they suspect the effect initially would be to further weaken the yen against the dollar, and thus possibly trigger a new wave of Japanese exports. However, the Finance Ministry official said the long-term effect should be to raise the yen's value.

The package is the work of a Japanese-U.S. working group that has met periodically to put flesh on the bones of a vague agreement made here last November during President Ronald Reagan's state visit.

The United States had insisted throughout those talks that Japan, as a great world economic power, had to loosen controls on its financial system and help make the yen an international reserve currency, taking some of the burden of world finance off the dollar.

Some experts interviewed here Tuesday did not believe that the effect of the proposed measures would be as great as the U.S. Treasury had hoped. "I'm not all that optimistic that we have got a real liberalization," said a U.S. banker.

The U.S. had pressed for a completely free European market that would be attractive to foreign and domestic investors anxious to buy securities denominated in yen.

But the final report issued Tuesday showed a wide gulf between the two countries on that point. It said that Japan's Finance Ministry "believes that a too rapid establishment of a free European market may have adverse effects on Japanese

fiscal and monetary policies, exchange rates and Japan's domestic financial systems."

The market will be opened to foreign corporations and governments in December, the ministry said. Selected Japanese companies with high credit ratings will be free to sell European bonds.

But the Japanese side refused the U.S. request to stop withholding national taxes on interest payments of those bonds. Many experts believe that will make the European bonds unappealing to investors. The ministry said that "the removal of withholding tax on European issues by Japanese residents could undermine the integrity of Japan's tax system."

The agreement provides that U.S. banks can engage in the full range of commercial banking in Japan. But Japan denied them the right to do so in joint ventures with Japanese securities houses.

U.S. banks had sought a piece of the lucrative pension-management market now dominated by seven Japanese commercial banks and some insurance companies. Four U.S. banks had sought to do so through tie-ups with Japanese securities houses, but that will not be allowed, the report emphasized. Many Japanese bankers believe that a link between U.S. banks and the securities houses could dominate commercial banking in Japan.

The agreement appears to grant some of the access sought by foreign interests to the large yen capital market in Japan by authorizing a market in bankers' acceptances and lowering the minimum denominations in which foreign banks may issue certificates of deposit in Japan.

U.S. Productivity Up at 3.5% Rate

United Press International

WASHINGTON—U.S. business productivity increased at a 3.5-percent annual rate in the first quarter as strong gains in output outdistanced a big increase in the number of hours worked, the U.S. government said Tuesday.

The rate of improvement in productivity for 79.6 million workers in business other than farming was higher than the 2.6-percent improvement originally reported for the first quarter.

The Labor Department Tuesday also made its first measurement of productivity during the first quarter in the narrower sector of nonfinancial corporations, covering 56.9 million workers. It showed a 2-percent increase.

CURRENCY RATES

Late interbank rates on May 29, excluding fees.
Official fixings for Amsterdam, Brussels, Milan, Paris, New York rates at 4:00 pm EDT.

	\$	DM	FF	Y	£	S	Y	Y
Amsterdam	3.207	112.25	36.65	1.125	1.365	123.54	123.54	123.54
Brussels	3.207	112.25	36.65	1.125	1.365	123.54	123.54	123.54
Frankfurt	3.207	112.25	36.65	1.125	1.365	123.54	123.54	123.54
London	1.284	3.778	11.234	2.355	4.541	71.85	3.217	235.55
Milan	1.692	2.249	6.728	28.95	54.34	26.57	74.3	1.29
New York	1.365	2.729	8.415	1.689	3.185	37.25	2.265	222.10
Paris	6.455	114.41	367.41	—	4.98	27.45	10.985	37.25
Tokyo	23.5	324.9	102.9	—	75.52	615.21	105.84	—
Zurich	2.36	3.769	12.215	36.65	1.125	70.19	4.064	—
1 BCU	0.8155	0.8905	2.282	1.8775	1.3813	2.594	1.848	189.37
1 SDR	1.417	N.A.	18.428	6.777	17.9810	3.928	57.496	2.344

Dollar Values

	\$	DM	FF	Y	£	S	Y	Y
0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001
0.002	0.002	0.002	0.002	0.002	0.002	0.002	0.002	0.002
0.003	0.003	0.003	0.003	0.003	0.003	0.003	0.003	0.003
0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004
0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005	0.005
0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006
0.007	0.007	0.007	0.007	0.007	0.007	0.007	0.007	0.007
0.008	0.008	0.008	0.008	0.008	0.008	0.008	0.008	0.008
0.009	0.009	0.009	0.009	0.009	0.009	0.009	0.009	0.009
0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01

(a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (d) Units of 100 (e) Units of 1,000 (f) Units of 10,000
N.B.: Not quoted; N.A.: not available.

INTEREST RATES

Eurocurrency Deposits May 29

	Dollar	D-Mark	Sterling	French Franc	ECU	SDR
1M	10 1/8 - 10 3/4	5 1/4 - 5 3/4	4 1/4 - 4 3/4	12 1/4 - 12 3/4	8 1/4 - 8 3/4	14 1/4 - 14 3/4
3M	11 1/4 - 11 3/4	5 1/4 - 5 3/4	4 1/4 - 4 3/4	12 1/4 - 12 3/4	8 1/4 - 8 3/4	14 1/4 - 14 3/4
6M	12 1/4 - 12 3/4	5 1/4 - 5 3/4	4 1/4 - 4 3/4	12 1/4 - 12 3/4	8 1/4 - 8 3/4	14 1/4 - 14 3/4
1Y	13 1/4 - 13 3/4	5 1/4 - 5 3/4	4 1/4 - 4 3/4	12 1/4 - 12 3/4	8 1/4 - 8 3/4	14 1/4 - 14 3/4

Notes applicable to interbank deposits of \$1 million minimum (or equivalent).

Key Money Rates

	United States	Costa Rica	Britain	Costa Rica	Britain
Discount Rate	9	9	10	9	10
Federal Funds	10 1/4	10 1/4	10 1/4	10 1/4	10 1/4
Prime Rate	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4
Bank Loan Rate	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4
Com. Paper, 30-179 days	10 1/4	10 1/4	10 1/4	10 1/4	10 1/4
2-month Treasury Bills	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
3-month Treasury Bills	10 1/4	10 1/4	10 1/4	10 1/4	10 1/4
CDs 30-99 days	10 1/4	10 1/4	10 1/4	10 1/4	10 1/4
CDs 100-99 days	10 1/4	10 1/4	10 1/4	10 1/4	10 1/4

West Germany

	5.50	5.50	5.50	5.50	5.50
Lombard Rate	5.50	5.50	5.50	5.50	5.50
Overnight Rate	5.50	5.50	5.50	5.50	5.50
One Month Interbank	5.50	5.50	5.50	5.50	5.50
3-month Interbank	5.50	5.50	5.50	5.50	5.50
6-month Interbank	5.50	5.50	5.50	5.50	5.50

Japan

	5	5	5	5	5
Discount Rate	5	5	5	5	5
Call Money	5	5	5	5	5
90-day Interbank	5	5	5	5	5

Sources: Commercial Bank of Tokyo, London, New York, Tokyo, and Zurich. All rates in U.S. per annum.

Full Merger Becomes Unlikely Between CJR, Hambro Life

By Bob Hagerty

International Herald Tribune

LONDON—Charterhouse J. Rothschild PLC and Hambro Life Assurance PLC are leaning away from a plan to merge their diverse financial-services operations.

A senior official involved in the discussions confirmed Tuesday press reports that a full merger had become unlikely. Instead, the official said, the two companies are likely to tighten their links by appointing directors to one another's boards and pooling certain interests in jointly owned companies.

But the official stressed that the two companies had reached no final conclusion.

The two companies had announced in April a plan for CJR to acquire 25 percent of Hambro Life and later seek a full merger. The initial acquisition has already been completed.

The merger plan has run up against widespread skepticism about the ability of CJR and Hambro Life to integrate their activities in a way that would substantially increase profits. Since April, CJR shares have plunged more than 25 percent. "This is the market saying: 'We don't understand this deal,'" Mark Weinberg, Hambro Life chief executive, said in an interview last week.

"Shareholders will be happier staying as shareholders in two different companies," a CJR official said Tuesday. He argued that the two companies would still be able to meet their goals of increasing capital resources, widening their product offerings and benefiting from one another's expertise.

Hambro Life, one of Britain's biggest life insurers, also provides pensions and tax advice as well as cash and investment management. CJR, formed last December from the merger of Charterhouse Group PLC and RIT & Northern PLC, is a loosely connected group of merchant banking, securities trading and investment interests.

Tables include the nationwide price
to the closing on Wall Street

Up to the closing, on your side!

[illegible][illegible][illegible][illegible][illegible]

Q		1254		1256		1258		1260	
181	4%	17	1%	17	1%	17	1%	17	1%
24	1%	17	1%	17	1%	17	1%	17	1%
34	1%	17	1%	17	1%	17	1%	17	1%
44	1%	17	1%	17	1%	17	1%	17	1%
54	1%	17	1%	17	1%	17	1%	17	1%
64	1%	17	1%	17	1%	17	1%	17	1%
74	1%	17	1%	17	1%	17	1%	17	1%
84	1%	17	1%	17	1%	17	1%	17	1%
94	1%	17	1%	17	1%	17	1%	17	1%
104	1%	17	1%	17	1%	17	1%	17	1%
114	1%	17	1%	17	1%	17	1%	17	1%
124	1%	17	1%	17	1%	17	1%	17	1%
134	1%	17	1%	17	1%	17	1%	17	1%
144	1%	17	1%	17	1%	17	1%	17	1%
154	1%	17	1%	17	1%	17	1%	17	1%
164	1%	17	1%	17	1%	17	1%	17	1%
174	1%	17	1%	17	1%	17	1%	17	1%
184	1%	17	1%	17	1%	17	1%	17	1%
194	1%	17	1%	17	1%	17	1%	17	1%
204	1%	17	1%	17	1%	17	1%	17	1%
214	1%	17	1%	17	1%	17	1%	17	1%
224	1%	17	1%	17	1%	17	1%	17	1%
234	1%	17	1%	17	1%	17	1%	17	1%
244	1%	17	1%	17	1%	17	1%	17	1%
254	1%	17	1%	17	1%	17	1%	17	1%
264	1%	17	1%	17	1%	17	1%	17	1%
274	1%	17	1%	17	1%	17	1%	17	1%
284	1%	17	1%	17	1%	17	1%	17	1%
294	1%	17	1%	17	1%	17	1%	17	1%
304	1%	17	1%	17	1%	17	1%	17	1%
314	1%	17	1%	17	1%	17	1%	17	1%
324	1%	17	1%	17	1%	17	1%	17	1%
334	1%	17	1%	17	1%	17	1%	17	1%
344	1%	17	1%	17	1%	17	1%	17	1%
354	1%	17	1%	17	1%	17	1%	17	1%
364	1%	17	1%	17	1%	17	1%	17	1%
374	1%	17	1%	17	1%	17	1%	17	1%
384	1%	17	1%	17	1%	17	1%	17	1%
394	1%	17	1%	17	1%	17	1%	17	1%
404	1%	17	1%	17	1%	17	1%	17	1%
414	1%	17	1%	17	1%	17	1%	17	1%
424	1%	17	1%	17	1%	17	1%	17	1%
434	1%	17	1%	17	1%	17	1%	17	1%
444	1%	17	1%	17	1%	17	1%	17	1%
454	1%	17	1%	17	1%	17	1%	17	1%
464	1%	17	1%	17	1%	17	1%	17	1%
474	1%	17	1%	17	1%	17	1%	17	1%
484	1%	17	1%	17	1%	17	1%	17	1%
494	1%	17	1%	17	1%	17	1%	17	1%

X		Y	
Zachar	161 9% 1%		
Kiss	122 20% 1%		
Alger	811 70% 1%		

Y		Z	
YonofF	32 28 1020 25% 34%		

R		S	
ZenLAB	19 16%	16%	16%
Zeniac	14 12%	12%	12%
Zeniac	44 43 14 14%	14%	14%
Zeniac	20 23 22 13%	13%	13%
Zeniac	29 4 29 4%	4%	4%

WHAT WOULD LIFE BE	
WITHOUT IT	
WEEKEND	
EACH FRIDAY IN THE	

[illegible]

May 29

NASDAQ National Market Prices[illegible]

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[illegible]

Revenue and profits, in millions, are in local currency

unless otherwise indicated

Issuer/Min cpa/Mat.	Coupon Next	Bid
World Bank 1994	9%	5-31
Yorkshire Inst 91/94	—	3-23
Yokohama 1991/94	11	10-1
Zenitratzsparkasse 5%-9710 %	7-12	99.73

Non Banks

99%	100%	Spain 88/10/93	100%	8-87
99%	100%	Spain 92/94/97	100%	8-83
99%	99.20	Spain Heavy 93-94	100%	6-73
99	99.10	Sweden 83/90/93	12%	31-79
99	99.00	Sweden 94-97/89	100%	8-91
99	99.00	Sweden 98-99/91	11%	7-94
99	99.03	Sweden 94-98/10/93	10%	8-3
99	99.00	Turkopol Int'l 1992/04	85%	9-17
99	99.00	Turkopol Int'l 1994/04	11%	4-8

Askd	Clark	80	3.8	16	12	28	13	13	13
	Clayton			44	9	8%	8%	8%	8%
99	Coast			1547	14%	13%	14%	14%	14%
99.45	Cabel, S			31	11%	11%	11%	11%	11%
98.90	Coeur			81	21%	20%	20%	20%	20%
99.22	Copernic			143	3%	3%	3%	3%	3%
	Cornell			184	22%	22	22%	22%	22%
	Calab R			168	5%	5%	5%	5%	5%
	Colapen			28	6%	6	6%	6%	6%

[illegible][illegible]

		K			
KLAS		541	22%	20%	20%
Kamon	48 2.5	52	17%	19%	19%
Korcor		239	21%	21	21%

[illegible]

Rozstak	—	17	5%	8%	8%	—	3%
Ray E s	.34	1.4	4	14%	14%	14%	—
Recotin s	—	25	8%	8%	8%	—	1%
Radion L	.32	1.7	15	30	30	30	1%
Reeves	—	28	6%	6%	6%	—	1%
Rocy E s	.20	2.3	584	7%	7	7%	1%
Rapls	.15	5	2	2%	2%	2%	—
Rehab	—	32	15%	15%	15%	+	1%
		1.4	5%	5%	5%	+	1%

ThorG	88	1%	1	1%	+%
max	199	8	7%	7%	-%
max	574	%	1/2	1%	+%
max	10	3%	3%	3%	
max	166	15%	16%	17%	-%
max	235	6%	6%	6%	
max	2	12%	12%	12%	
max	2	11	11	11	-%
max	37	12	11%	11%	-%

WHAT WOULD LIFE BE LIKE WITHOUT IT?

...the

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May 29

[illegible][illegible]

WHAT WOULD LIFE BE LIKE
WITHOUT IT?
WEEKEND
EACH FRIDAY IN THE HIT

BUSINESS ROUNDUP

Marriott Denies It Has Any Interest in Disney

WASHINGTON — Marriott Corp. said Tuesday that it had no interest in acquiring Walt Disney Productions or in joining with another group in acquiring any Disney stock.

The Washington Post had reported Monday that the hotel and restaurant conglomerate was said to be interested in joining a group led by a Wall Street investor, Saul Steinberg. Mr. Steinberg's group already owns about 12 percent of Disney stock, and Mr. Steinberg has said he intends to buy at least 49.9 percent and is "considering obtaining control" of the entertainment giant.

BMW Posts 44% Rise in Net On 23% Increase in Sales

MUNICH — Bayerische Motoren Werke AG said Tuesday profits rose 44 percent to 288 million Deutsche marks (\$105.5 million) in 1983.

Sales increased 23 percent to 11.48 billion DM from 9.37 billion DM in 1982.

Production surged 22 percent during the first four months of 1984, but two weeks of strikes by West German metalworkers have endangered plans for expansion this year, the company's finance director, Volker Döpfeld, said at a news conference.

However, "1983 was an exceptional year" for the Munich-based

car producer, Mr. Döpfeld said.

The company's managing board chairman, Eberhard von Kuenheim, said plant shutdowns have caused production losses of 2,000 cars and 150 motorcycles a day, at a daily loss of 60 million DM.

Mr. Kuenheim predicted that BMW production for 1984 could remain at the 1983 level of 421,000 units despite the strikes.

The company had planned to increase sales in the United States from 59,000 cars in 1983 to 70,000 in 1984, but Mr. Kuenheim said "that goal is now clearly out of the question." He added that the 1984 production goal of 450,000 units is in jeopardy.

Reynolds, China to Make Cigarettes

BEIJING — China and R.J. Reynolds Tobacco International Inc. signed an agreement Tuesday to jointly produce cigarettes for China's domestic consumption, making the U.S. company the first to gain access to the world's largest market for tobacco.

The \$20-million agreement was signed by Lester W. Pullen, president and chief executive of Reynolds, and Liu Wei Chan, manager of the Xiamen cigarette factory in Xiamen, a special economic zone for foreign investment.

The two sides will produce and market a jointly owned brand for sale in China and overseas. The name of the cigarette has not been decided. Previously, China had balked at allowing foreign companies to sell jointly made products on the domestic market.

About 25 percent of China's 1 billion people are smokers, making the country the world's largest tobacco consumer. Chinese tobacco factories produce more than 900 billion cigarettes a year.

Chinese authorities have warned that cigarette smoking is hazardous to health and have announced a campaign aimed at making people quit.

"We agree that our government does not want people to smoke, but we think in society it is one of the things we cannot avoid," a Beijing spokeswoman said.

Mannesmann Says Its Profit Dived 92%

DUSSELDORF — Mannesmann AG reported Tuesday that earnings plunged 92 percent last year to 96 million Deutsche marks (\$35.5 million) from 184 million DM for 1982.

But the company, West Germany's diversified pipe, steel and heavy-engineering group, said Tuesday that it expects improved profits for 1984.

Strong sales, led by a 56-percent jump this quarter among foreign subsidiaries, will make up most of the ground lost in 1983, when revenue dropped 15 percent to 14.9 billion DM, mainly because of poor demand for steel pipes, the economic crisis in Brazil, where the company has a subsidiary, and a weak market for plant manufacturers, Franz Josef Weisweiler, chairman, said.

Mr. Weisweiler said that earnings will rise because of increasing domestic and foreign orders but

will still fall short of profits in earlier years.

He said first-quarter profits were higher than a year earlier, but trailed the 9-percent rise in sales during the quarter from year-earlier figures. He declined to give figures.

It was not known what the effect of the metalworkers' strike would be on the company's optimistic forecast.

Mr. Weisweiler said that after last year's 2-DM cut in its dividend, to 4 DM, the dividend trend will be upward in the long term, but he declined to forecast payout for the current year.

Nearly all divisions are expected to show higher earnings this year, and only the pipe sector will post a deficit, Mr. Weisweiler said.

In 1983, the pipe sector had a 180-million-DM loss as sales fell to 4.7 billion DM from 6.1 billion, Demag, the engineering division, reported a loss of 60 million DM.

The company plans to bring pipe production better into line with slackening demand by shedding a third of the pipemaking capacity at its Mülheim works starting in September. The plant is currently working at full capacity.

Pipe prices, however, have started to recover, and have risen 15 to 30 percent since November, except for big-diameter pipe.

COMPANY NOTES

Dunlop Holdings PLC will announce its financial reorganization in August, its chairman, Maurice Hodgson, said. The company will make a series of divestitures between now and then, and details of one sale of assets will be made within three to four weeks. Divestiture of its South African and U.S. concerns are not part of present plans, Mr. Hodgson said.

Enstar Corp. said that it was sending a letter to shareholders in which it supported the offer for Enstar by Unimor Co. Unimor is a general partnership and consists of subsidiaries of Allied Corp. and Ultramar PLC, a London-based oil concern. It has offered \$18 a share

for 50.4 percent of Enstar, a Houston-based energy concern.

Exco International PLC, a fast-growing London-based financial services company, said Tuesday that it had agreed to buy a 29.9 percent stake in Galloway & Pearson, a small London stockbrokerage.

HBH, Samuel Group PLC said it acquired 80 percent of the issued share capital of Tenzing, a Singapore-based merchant bank, for 13 million Singapore dollars (\$6.2 million). The bank was a wholly owned subsidiary of Bowater Corp. PLC retains a 20 percent holding until May 1987,

when it will sell remaining shares to Hill, Samuel.

Hitschi Chemical Co. of Japan said Tuesday it will invest \$13 million to build its first manufacturing plant in the United States in DeKalb County, Georgia. Hitschi, a major Japanese diversified chemical manufacturer, will employ 80 people at the new plant, which will build wired circuit boards for the computer industry.

National Trust Co. said it is studying the possibility of a merger with Victoria & Grey Trust Co. Shareholders of a merged trust company would be able to exchange their shares for shares of a "widely traded" public corporation.

the companies said. They gave no indication of potential terms. Victoria is Canada's third largest trust company, and National Trust is the fourth largest.

Telephone Inc. of the United States said about 8.7 million of its shares were tendered before the expiration deadline in response to its previously announced offer to purchase its stock at \$200 a share.

Telephone Corp. of Japan said it and American Television & Communications Corp. have agreed to form a 50-50 joint venture company in Denver, Colorado, to market a new, jointly developed subscriber-terminal system for cable television starting next month.

Grand Met Agrees to Sell U.S. Cigarette Business

LONDON — Grand Metropolitan PLC said Tuesday that it had agreed to sell its U.S. cigarette business to a group of the company's managers and outside investors for about \$325 million.

Grand Met, the London-based brewing, hotel and leisure giant, said in January that it had begun talks with the group. The cigarette operations were part of Liggett & Myers, acquired by Grand Met in 1980 for \$590 million. Grand Met has said it plans to reinvest the proceeds from the planned sale in the United States, probably in a consumer-products or services business.

U.S. \$ 20,000,000.—
GIST-BROCADES
INTERNATIONAL
N.V.
8 1/4% Notes due 1985
unconditionally
guaranteed by
GIST-BROCADES N.V.,
Delft, Holland

For holders of Notes in the above-mentioned U.S. \$ loan copies of the annual report and the report of the trustee of the company over the year 1983 will be available as from this day at the Banque Générale du Luxembourg, S.A., 14 rue Aldringen, Luxembourg.

Amsterdam, May 22nd, 1984
Nieuwe Zijds Voorburgwal 326-328.
The Trustee:
NEDERLANDSCHE TRUST—
MAATSCHAPPIJ B.V.

OSTERREICHISCHE ALPINE MONTANGESELLSCHAFT
(VOEST-ALPINE)
Bonds of 1965 Due 1985
5 1/4%
U.S. \$12,000,000.—
14th Drawing by lot of May 11, 1984.

The Holders of the above mentioned bonds are hereby informed that this year's redemption installment of U.S. \$1,087,000, maturing June 15, 1984 has been partially effected by repurchase in the market and partially by drawing by lot.

Amount repurchased: U.S. \$484,250.—
Amount drawn: U.S. \$602,750.—

The following bond numbers have been drawn by lot in the presence of a notary public:

—denominations of U.S. \$1,000.—
656-657; 671-704; 715-718; 729-749; 754-756; 759-763; 766-767; 771-793; 796-797; 810-819; 821-822; 827-828; 839-840; 847; 852-854; 859-869; 872-887; 889-900; 934-935; 938-940; 944-951; 953-959; 963; 974-978; 981-982; 985-986; 993-995; 997; 999; 1011-1015; 1047-1071; 1073; 1075-1076; 1082-1084; 1087-1088; 1090-1092; 1095-1103; 1106-1107; 1116-1117; 1123-1125; 1127-1129; 1134-1136; 1138; 1141-1143; 1151-1158; 1161; 1165-1168; 1175-1176; 1179-1188; 1201; 1235-1241; 1243-1244; 1248-1250; 1254-1268; 1312-1332; 1343-1352; 1376-1378; 1478; 1483; 1486-1490; 1498-1501; 1505-1509; 1520-1536; 1538-1549; 1587-1590; 1627-1630.

—denominations of U.S. \$250.—
3157-3180; 3290-4076.

The bonds so called will become due and payable on and after June 15, 1984 at the offices of the paying agents mentioned in the terms and conditions of the bonds.

Furthermore it is recalled that the following bonds, drawn in previous years have not yet been presented for payment:

Maturity	U.S. \$1,000.—	U.S. \$250.—
15-6-1975.....	2100	10112
15-6-1977.....	2406	
15-6-1980.....	5332-5333	6262-6264; 6274-6275; 6284; 6300; 6421; 6505-6506; 6510-6511; 6558; 6559; 6567-6568; 3979-3980
15-6-1981.....		10459
15-6-1982.....	8302-8305	9106-9187; 9191-9192; 9198;
15-6-1983.....	8336-8385	9223-9226; 9239; 9263-9266

Amount remaining outstanding after June 15, 1984:
U.S. \$1,149,000.— represented by 862 bonds of U.S. \$1,000.—
1,149 bonds of U.S. \$ 250.—

BANQUE INTERNATIONALE A LUXEMBOURG
Société Anonyme
Trustee
Luxembourg, May 30, 1984.

Winners in Software Business Increase Their Market Lead

(Continued from Page 9)

The company's top leadership made it clear two months ago that selling personal-computer software, until now a task IBM largely to third parties, will become a critical element of its expanding operations at the low end of the computer market.

"Until recently, the software houses have been pitted against each other," Esther Dyson, editor of Release 1.0, a leading industry newsletter, noted recently. "By the fall, many of them will be selling through IBM or against IBM."

That point was driven home at the four-day Comdex show, which attracted about 50,000 people and sprawled across the Georgia World Congress Center and the Atlanta Merchandise and Apparel Mart. In the middle of the main hall at the Congress Center, IBM erected a Software Theater.

Included in the display was office-productivity software written by Software Publishing Corp., which has sold about 650,000 software packages under such labels as PFS:Write and PFS:Graph, word-processing and graphics programs

respectively. Now many of those programs, with minor modifications, will be sold by IBM in its growing chain of Product Centers.

"It's a very exciting decision," said Janell Bedke, vice president of marketing and sales for Software Publishing of Mountain View, California. "We spent four years building up a brand name, and to let that go is very difficult." But the company decided that reaching IBM's markets outweighed corporate pride.

The biggest problem facing manufacturers is that even their most

popular products can be leapfrogged. VisiCorp's Visicalc spreadsheet, for example, was overtaken almost overnight by Lotus's 1-2-3, the first of a series of software, called "integrated packages," that combine onto one disk several functions.

The advantage is that such programs insure compatibility. Such packages are considered more economical than buying individual programs and contribute to the price pressure on older products.

And some of this pressure has come from the mere entry of new

products bearing big names. Last month, for example, IBM released a program that essentially makes Personal Computers emulate a Displaywriter, an IBM word-processing machine long familiar to thousands of secretaries. That forced Leading Edge Products Inc. to halve the price of its competing \$200 word-processing program for personal computers; many others are expected to follow.

The Shorter Working Week

(Continued from Page 9)

Union sources usually argue that job creation or job saving only exists if other conditions are met and if the decrease in the workweek is substantial enough.

Herman Rehban, general secretary of the International Metalworkers' Federation in Geneva, says, "The reduction in the workweek is not the total solution to unemployment. Firms that employ one secretary or one maintenance man do not automatically need a second because a few hours are lopped off the working week. Larger firms can make productivity increases that maintain output using the same workforce despite a reduction in total working time."

And Raphael Najinsky, of the European Trades Union Institute in Brussels, agrees: "A one-hour reduction in the workweek has a very small impact on job creation."

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

In re:
Consolidated Case
No. 83-20485
BALDWIN-UNITED CORPORATION,
D.H. Baldwin Company, et al.
Chapter 11
Debtors

Honorable Randall J. Newsome
Bankruptcy Judge
NOTICE OF CLAIMS BAR DATE (LAST DAY TO FILE CLAIMS)
AND OF CLAIMS PROCEDURE

TO: CREDITORS OF BALDWIN-UNITED CORPORATION, D.H. BALDWIN COMPANY, BALDWIN-UNITED LEASING COMPANY, MOYMO HOLDING INC., B-U PROPERTIES INC., T.C. COL HOLDING INC., FULGOS INC., T.C. HOLDING INC., AND E.H. HOLDING INC. DEBTORS IN THE ABOVE CASE, TO ANY PERSON OR GOVERNMENTAL UNIT THAT ASSERTS A CLAIM AGAINST ANY OF SAID DEBTORS:

PLEASE TAKE NOTICE: The United States Bankruptcy Court for the Southern District of Ohio has entered its Order requiring all entities that assert claims which arise or which are deemed to have arisen prior to the commencement of these cases against the Debtors, whose claim has not been scheduled by the Debtors or whose claim has been scheduled as disputed, contingent or unliquidated (other than claims solely for principal and interest under the Debtors' publicly traded securities) and that wish to vote on a plan(s) of reorganization or to share in any distribution in these estates to file proofs of claims on or before 4:00 p.m., Cincinnati time, July 25, 1984. A CLAIM THAT IS NOT SCHEDULED OR THAT IS DISPUTED, CONTINGENT AND UNLIQUIDATED AND IS NOT FILED BY THAT TIME WILL BE FOREVER BARRED FROM PARTICIPATING IN ANY OF THESE ESTATES, FROM VOTING WITH RESPECT TO ANY PLAN(S) OF REORGANIZATION FILED IN THE WITHIN CHAPTER 11 CASES AND FROM RECEIVING ANY DISTRIBUTION UNDER ANY SUCH PLAN(S) OF REORGANIZATION. THE HOLDER OF SUCH UNFILED CLAIM SHALL BE BARRED BY THE TERMS OF ANY SUCH PLAN(S) OF REORGANIZATION IF SUCH PLAN(S) IS CONFIRMED BY THE BANKRUPTCY COURT.

ANY PROOF OF CLAIM PREVIOUSLY FILED WITH THE CLERK OF THIS COURT PRIOR TO THE MAILING OF THIS NOTICE SHALL BE DEEMED TO BE AND SHALL BE TREATED AS A PROPERLY FILED CLAIM SUBJECT TO THE RIGHT OF THE DEBTORS OR ANY PARTY IN INTEREST TO OBJECT TO THE ALLOWANCE THEREOF. NO ADDITIONAL CLAIM IS REQUIRED.

Proofs of claim or interest are NOT required for claims solely for principal and interest under the Debtors' publicly traded securities and interests represented by the Debtors' stock. Instead, such notices, ballots and distributions will be sent to the holders of record (as of date of distribution) of the securities. Orders of the Court as reflected in the books and records of the Debtors, the indenture trustees and the stock transfer agents. However, proofs of any and all claims and interests based on transactions in the Debtors' publicly traded securities, including but not limited to claims for damages or rescission based on the purchase or sale of any such securities, must be filed.

ALL CLAIMS AND INTERESTS MUST BE FILED BY MAIL WITH THE DEPT. CLERK, UNITED STATES BANKRUPTCY COURT, OR BY DELIVERY TO THE CLERK AT:

Clerk, United States Bankruptcy Court
Re: Baldwin-United Corporation, et al.
725 U.S. Post Office Building
Cincinnati, Ohio 45202

and a copy mailed to the Debtors at:
Joan S. Coleman, Senior Vice President
Baldwin-United Corporation
1801 Gilbert Avenue
Cincinnati, Ohio 45202

Claims of creditors, sureties, or guarantors, that may be filed under Section 501(b) of the Bankruptcy Code and Bankruptcy Rule 3006 and claims to be filed by the Debtors or Debtors in Possession on behalf of a creditor under Section 501(c) and Bankruptcy Rule 3004, may be filed with the Clerk of Court on or before 4:00 p.m., Cincinnati time, August 27, 1984.

Any entity that asserts a claim against the Debtors, or any of them, arising out of the rejection by the Debtors in Possession, or by any of them, of an executory contract or unexpired lease, or arising out of the recovery by the Debtors in Possession of a receivable transfer or arising out of the incurrence by certain taxes, as described in Bankruptcy Code Sections 502(g), 502(h), or 502(i), respectively, and that wishes to have such claim allowed in these cases, or any of them, must file a proof of such claim with the Clerk of this Court within 30 days after entry of an order approving rejection of the executory contract or unexpired lease, within 30 days after entry of an order of judgment avoiding transfer, or within 30 days after the relevant tax claim arises, or July 25, 1984, whichever is later.

Any proof of claim previously filed with the Clerk of this Court prior to the mailing of this notice shall be deemed to be and shall be treated as a properly filed claim subject to the right of the Debtors or any party in interest to object to the allowance thereof. NO ADDITIONAL CLAIM IS REQUIRED.

ROBERT J. WHITE
LINDA SMITH
KATHERINE BUTTS WARWICK
OWEN D. MYERS
400 South Hope Street
Los Angeles, California 90071
(213) 688-6000

KEATING, MUETHING & KLEKAMP
DONALD R. GARDNER
18th Floor, President Tower
1 East Fourth Street
Cincinnati, Ohio 45202
(513) 578-6400

J&B Rare.
The 24 carat Scotch.

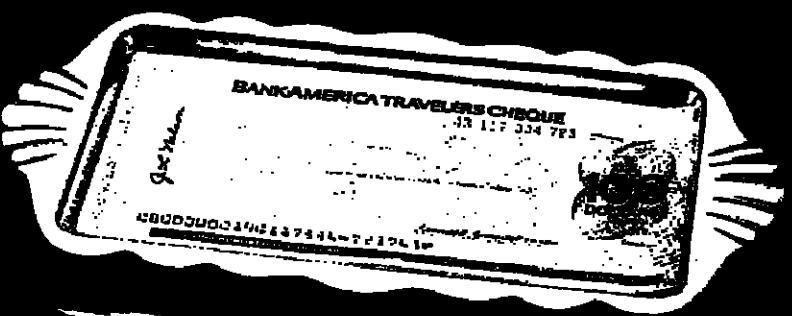
INTERNATIONAL FUNDS	
Quotations Supplied by Funds Listed	
29 May 1984	
The net asset value quotations shown below are supplied by the Funds listed with the exception of some funds whose quotes are based on issue prices. The following market values indicate approximate percentages of quotations supplied for the 1984:	
(d) - daily; (w) - weekly; (bi) - bi-monthly; (tr) - quarterly; (i) - irregular.	
ALMA MANAGEMENT	
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BANK JULIUS BAER & CO. L.D.	

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**FOLLOW THE AMERICAN
POLITICAL CAMPAIGN
DAY AFTER DAY IN
THE INTERNATIONAL
HERALD TRIBUNE.**



— **Lawrence Corporation**

**US\$ 20,000,000 8¼% Notes 1977 due 1985**

Notice is hereby given to the holders of the 8 1/4% Notes 1977 due 1985 of Gist-Brocades International N.V. that, as the result of a drawing effected on May 21, 1984 in accordance with the terms of the Trust Agreement dated July 15, 1977, Notes belonging to Redemption Group nr. 2, representing US\$ 4,000,000 principal amount, will be redeemed. The Notes selected for redemption will be repaid at their principal amount on and after July 15, 1984 at the offices of the Paying Agents listed below, upon surrender of the Notes with all coupons, maturing after the date set for redemption, appertaining thereto:

PRINCIPAL PAYING AGENT
Amsterdam-Rotterdam Bank N.V.
595 Herengracht
Amsterdam

PAYING AGENTS

Bank Mees & Hope NV
548 Herengracht
Amsterdam

AGENTS
Banque Générale du Luxembourg S.A.
14 Rue Aldringen
Luxembourg

Banque Nationale de Paris
16 Boulevard des Italiens
Paris 75450

Deutsche Bank Aktiengesellschaft
10-14 Grosse Gallusstrasse
6000 Frankfurt/Main

European American Bank & Trust Company
10 Hanover Square
New York
NY 10015

European Banking Company Limited
150 Leadenhall Street
London EC3V 4PP

Société Générale de Banque S.A.
3 Montagne du Parc
B-1000 Brussels

Union Bank of Switzerland
45 Bahnhofstrasse
CH-8021 Zurich

US\$ 4,000,000 principal amount of Notes will remain outstanding after July 15, 1984:

Not all the Notes belonging to the Redemption Groups nr. 3, 5 and 4, called for redemption on July 15, 1981 respectively 1982 and 1983 were presented for payment.

Amsterdam, May 21, 1984.

Trustee for the Noteholders:
Nederlandsche Trust-Maatschappij b.v.
326-328 N.Z. Voorburgwal
1012 RW Amsterdam

100

Liverpool Readies Crowd-Control Tactics

Bruno Conti in training: Reliance on 'the 12th man.'

Tanvier was unhappy at having been forced to play in a continuous drizzle. "I didn't think it was normal to play in this weather," she said afterward. "They were horrible conditions."

Ron Gardenhire got around catcher **Terry Kennedy** to tally on a second-inning sacrifice fly Monday in New York, but the Met third baseman's bases-loaded error in the eighth permitted two runs to score, making San Diego a 5-4 winner.

[illegible][illegible]

(Continued From Back Page)

[illegible]

On the Playing Fields

On Guard With Hotel Queen Helmsley

A black and white photograph of a woman with short, dark, curly hair. She is wearing a dark, high-collared dress with a light-colored, pleated skirt. She is holding a book or folder in front of her. The image is grainy and has a high-contrast, vintage feel.

This princess was born Leona Mindy Ro-

"You see?" she says, turning to her interviewer. "Respect yes, fear no. There's a big difference."

Henry Taube, Nobel laureate

year 1982 and Kreisky for the year 1983. There was no explanation of the delayed announcement of the 1982 award. The awards include

Agaña Pro
Death Squa
Unit, Trained
Exhausted, Pub

INTERNATIONAL CLASSIFIED

[illegible]

INTERNATIONAL BUSINESS MESSAGE CENTER

ATTENTION BUSINESSMEN: Publish your business message in the *International Herald Tribune*, where more than a third of a million readers worldwide, most of whom are in business and industry, will read it. Just telex us (Paris 613395) before 10 a.m., ensuring that we can telex you back, and your message will appear within 48 hours. The rate is U.S. \$0.10 a word, minimum one line. You must include complete and verifiable billing address.

[illegible]